United Nations

Advisory Committee on Administrative and Budgetary Questions

First to Eleventh Reports on the Programme Budget for the biennium 2000-2001

General Assembly

Official Records
Fifty-fifth Session
Supplement No. 7 (A/55/7 and Add.1-10)

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Note

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Document A/55/7

First report

Activities of the Advisory Committee on Administrative and Budgetary Questions during the fifty-fourth session of the General Assembly

[14 November 2000]
[Original: English]

I. Introduction

1. The major functions of the Advisory Committee on Administrative and Budgetary Questions, as defined by the General Assembly in its resolution 14 (I), section A, of 13 February 1946, are:

(a) To examine and report on the budget submitted by the Secretary-General to the General Assembly;

(b) To advise the General Assembly concerning any administrative and budgetary matters referred to it;

(c) To examine on behalf of the General Assembly the administrative budgets of the specialized agencies and proposals for financial arrangements with such agencies;

(d) To consider and report to the General Assembly on the auditors' reports on the accounts of the United Nations and of the specialized agencies.

2. In accordance with the provisions of General Assembly resolution 14 (I), examination of the budget by the Advisory Committee includes not only the regular assessed budget but also extrabudgetary expenditures, as well as the financing of the various peacekeeping operations, the International Tribunal for the Former Yugoslavia[1] and the International Tribunal for Rwanda.[2] Pursuant to rule 157 of the rules of procedure of the General Assembly, the Committee shall perform such other duties as may be assigned to it under the Financial Regulations of the United Nations. In addition, with regard to programmes financed by voluntary funds, the Committee reports on administrative budgets and other matters to the governing bodies of the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), the United Nations Population Fund (UNFPA), the Office of the United Nations High Commissioner for Refugees (UNHCR) (voluntary funds), the United Nations Environment Programme (UNEP) (Environment Fund), the United Nations Habitat and Human Settlements Foundation (UNHHSF), the United Nations Institute for Disarmament Research (UNIDIR), the United Nations Institute for Training and Research (UNITAR), the United Nations University (UNU), the World Food Programme (WFP), the United Nations International Drug Control Programme (UNDCP) and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

3. Under rule 156 of the rules of procedure of the General Assembly, the members of the Advisory Committee, no two of whom shall be nationals of the same

State, shall be selected on the basis of broad geographical representation, personal qualifications and experience.

4. During the reporting period, the members of the Advisory Committee were:

Mr. C. S. M. Mselle (Chairman)

Mr. E. Besley Maycock (Vice-Chairman)

Ms. Norma Goicochea Estenoz

Mr. Ioan Barac

Mr. Mahamane Amadou Maiga

Mr. Giovanni Luigi Valenza

Mr. Gérard Biraud

Mr. Hasan M. Jawarneh

Ms. Nazareth A. Incera

Mr. Ahmad Kamal

Mr. Rajat Saha

Mr. Nicholas A. Thorne

Mr. Vladimir V. Kuznetsov

Ms. Susan Shearouse

Mr. Juichi Takahara

Mr. Roger Tchoungui

5. During the fifty-fourth session of the General Assembly, the meetings of the Advisory Committee were organized into three sessions, held in New York: from 7 September to 17 December 1999; from 1 February to 31 March 2000; and from 2 to 22 May 2000. The Committee also met in Paris from 29 to 31 May, in Geneva from 1 to 9 June, in Rome from 12 to 14 June, in Turin on 15 June, in Brindisi on 16 June, in Pristina from 16 to 20 June and in Vienna from 21 to 23 June 2000. The present report discusses in general terms the matters that were before the Committee at those locations.

6. Under the terms of General Assembly resolutions 49/233 A of 23 December 1994 on peacekeeping operations and 52/223 of 22 December 1997 on unforeseen and extraordinary expenses, in accordance with existing procedures, the Advisory Committee replied to various requests of the Secretary-General by letter during the fifty-fourth session of the Assembly. In most cases, the Committee authorized the Secretary-General to enter into commitments in respect of the financing of various peacekeeping operations. A list and summary of the Committee's letters to the Secretary-General is contained in the annex to the present report.

II. Meetings held in New York

7. During its sessions in New York, the Advisory Committee considered a number of reports related to the United Nations regular budget, United Nations

peacekeeping operations and other administrative and budgetary matters of the United Nations and of its funds and programmes. In the course of its consideration of the reports, the Committee met with representatives of the Secretary-General and of the executive heads of funds and programmes. The reports of the Committee are listed in the annex to the present report.

III. Meetings held away from Headquarters

8. On 29 May 2000, the Advisory Committee met with representatives of the United Nations Educational, Scientific and Cultural Organization (UNESCO) at UNESCO headquarters in Paris. Discussions centred principally on results-based budgeting and the reform process within UNESCO, as well as technologies being put into place to implement it, including progress in the development of the System of Information on Strategies, Tasks and Evaluation of Results, an Internet-based management system, which is expected to be fully operational by 2001.

9. On 30 May 2000, the Advisory Committee attended, as observers, meetings of the Organisation for Economic Cooperation and Development (OECD) Working Party of Senior Budget Officials and the OECD Budget Committee, at OECD headquarters in Paris. On 31 May, the Committee met with representatives of OECD to discuss the experience of OECD in the reform of its programme of work and budget.

10. The Advisory Committee met in Geneva from 2 to 9 June 2000. Discussions with representatives of the United Nations Office at Geneva on 2 and 8 June focused on issues related to conference services, information technology and coordination for common services. In connection with the latter, while in Geneva, the Committee visited the library, the print shop and the International Computing Centre. On 2 June, the Committee exchanged views with the Inspectors of the Joint Inspection Unit on matters of mutual interest and discussed the programme of work of the Unit for 2000.[3]

11. At the joint meetings held with representatives of the World Health Organization (WHO), the International Labour Organization (ILO) and the World Intellectual Property Organization (WIPO) on 5 and 6 June 2000, discussions centred on efforts by those agencies towards administrative reform and their experience thus far in implementing results-based budgeting, as well as on coordination for common services, such as printing and library services.

12. At the meeting held with the Assistant High Commissioner and other representatives of UNHCR on 7 June 2000, the inherent difficulties involved in inter-agency coordination in the field and at the headquarters level were touched upon, and the need for standby arrangements with other agencies, both governmental and non-governmental, was emphasized by the representatives of UNHCR. The introduction, in 1999, of the unified annual programme budget at UNHCR, which had been recommended by the Advisory Committee in 1998, was also discussed. On 8 June, the Committee was briefed by the Deputy High Commissioner and other senior officials of the Office of the United Nations High Commissioner for Human Rights on the administrative and budgetary situation of the Office, as well as reform efforts.

13. From 12 to 14 June 2000, the Advisory Committee met in Rome with representatives of WFP, the Food and Agriculture Organization of the United Nations (FAO) and the International Fund for Agricultural Development (IFAD). In the course of the meetings, several key issues were discussed, among them inter-agency coordination in the field for peacekeeping and humanitarian operations, security of staff in the field, delegation of authority and decentralization to the field, improved measures for emergency response, difficulties encountered in raising funds for development operations, reform and experience with "results-based-type" techniques and coordination for common services. The Committee will comment in detail and make recommendations on subjects discussed with the various organizational units in Rome in its reports to be submitted to governing bodies in late 2000 and to the General Assembly at its fifty-fifth session.

14. On 15 June 2000, the Advisory Committee visited the ILO International Training Centre and the United Nations Staff College in Turin, Italy, where it met with the Executive Director of the International Labour Office and Director of the Centre, as well as with the Director of the Staff College and other officials. The Committee was briefed on the training activities of both the Centre and the College, as well as on present funding arrangements.

15. On 16 June 2000, the Advisory Committee visited the United Nations Logistics Base at Brindisi, Italy, where it met with the Chief Administrative Officer and other officials. Discussions centred principally on the use of the Base for procurement on behalf of peacekeeping missions, the capacity of the Base for training, refurbishment of equipment for use in peacekeeping missions, disposition of unusable equipment, composition of mission start-up kits and participation of WFP in the Base.

16. From 17 to 20 June 2000, the Advisory Committee met in Kosovo with the Special Representative of the Secretary-General and other officials from the various pillars of the United Nations Interim Administration Mission in Kosovo (UNMIK), as well as with officials of the Kosovo Force (KFOR), the Organization for Security and Cooperation in Europe (OSCE), the International Tribunal for the Former Yugoslavia and local leaders. At the meetings, the Committee discussed a wide range of issues relating to the situation in Kosovo, including civil administration, reconstruction, democratization and institution-building, the rule of law, humanitarian affairs and judicial affairs. The Committee also made field visits to Mitrovica, the municipality of Liplijan, a civilian registration site, a prison and a temporary shelter. Other important issues covered included the relationship between the UNMIK budget and the Kosovo consolidated budget and the coordination of United Nations agencies in Kosovo. The comments and recommendations of the Committee will be submitted to the General Assembly at its fifty-fifth session in the context of the Committee's report on the financing of UNMIK.

17. Prior to its visit to Kosovo, the Advisory Committee met on 23 May 2000 in New York with the Emergency Relief Coordinator and other representatives of the Office for the Coordination of Humanitarian Affairs. The Committee was briefed on overall coordination arrangements, as well as on mechanisms and support structures used by the Office for inter-agency coordination of the United Nations response to complex, longer-term emergencies, such as those in East Timor and Kosovo. On 24 May, the Committee was briefed by representatives of the United Nations Volunteers (UNV) on UNV activity in Kosovo.

18. On 21 and 22 June 2000, the Advisory Committee met in Vienna with the Director of Administrative and Common Services of the United Nations Office at Vienna and other officials of the Office, as well as representatives of the United Nations Office for Drug Control and Crime Prevention (ODCCP), the Office for Outer Space Affairs (OOSA), the United Nations Industrial Development Organization (UNIDO) and the International Atomic Energy Agency (IAEA).

19. During the meetings with representatives of the United Nations Office at Vienna, the Advisory Committee discussed and was provided with information on a number of issues, such as conference-servicing, including remote translation and interpretation, delegation of authority, common services, asbestos at the Vienna International Centre and the lack of office/meeting space at the Centre. The meetings with ODCCP, UNIDO and IAEA focused on reform and common services issues.

IV. Observations and conclusions

Administrative and budgetary reform

20. The experience of the Advisory Committee during its meetings held away from Headquarters has demonstrated that the reforms that were witnessed during its 1998 meetings with the specialized agencies and IAEA are continuing and have intensified. There is now greater emphasis on planning for results and personnel management reform. In an environment of scarce resources, greater focus is being made on priority setting and a better definition of objectives, as well as on performance monitoring and evaluation. In this connection, the Committee notes that, except for WIPO, there has been hardly any real increase in the budgets of the agencies. Of particular note is the dramatic decrease in resources devoted to development, including those managed by UNDP. On the other hand, there has been an increase in resources for emergency and humanitarian operations.

21. The planning and budgeting processes in some of the agencies are being reformed extensively (see also paras. 29 and 30 below). The Advisory Committee notes the progress in this regard, but cautions that care should be taken to ensure that such reforms do not bring with them new rigidities or a lack of transparency to member States, or make the processes more expensive. The Advisory Committee was informed that in IAEA the mechanisms for early involvement of member States in the planning and budgeting processes had been refined. An initial planning document will be submitted to the Programme and Budget Committee in January and subsequently to the Board of Governors for approval in off-budget years. The Board will be asked to agree on the planning parameters of the programme and budget. This would be followed by a series of programme review meetings with member States to review each of the substantive areas identified in the medium-term strategy. Member States will be required to express their views, provide guidance to the Secretariat and agree on priorities for the next programme and budget cycle. At the final stage, the programme and budget will be submitted to the Programme and Budget Committee and subsequently to the Board of Governors at its June session and thereafter to the General Conference for approval. **This appears to be a cumbersome process, and the Advisory Committee recommends that it be**

considered for streamlining. The initial planning process and document, for example, could be combined with the programme review process.

22. Many of the agencies reported difficulties in establishing performance measurement standards. The Advisory Committee is of the view that, unless such standards are carefully identified and realistically set, reforms could lead to confusion, excessive reporting and high cost. The Committee will comment in detail on this issue in the context of its review of the report of the Secretary-General on results-based budgeting.[4]

23. The effect of extensive budgetary constraints on a number of agencies has led to a search for efficiencies and reductions in support services. The Advisory Committee cautions, in this connection, that there is a limit to which support services can be reduced without negatively impacting on programme implementation. Furthermore, in some cases, a reduction in support services may lead to the necessity for greater expenditure in the future. Prime examples of this are the constant reductions in spending for buildings maintenance at Headquarters and UNESCO, with the result that the cost of asset rehabilitation is now almost prohibitive. The Committee was informed that the cost of rehabilitation of UNESCO headquarters would be more than $400 million. For Headquarters, it would be over $1 billion.

24. There is now greater emphasis on giving flexibility to programme managers. The Advisory Committee considers that flexibility should not compromise the need for accountability. Such flexibility was taken too far in UNESCO recruitment procedures, for example, where, according to the administrative manual, the Director-General or programme manager to whom authority is delegated may decide not to advertise a vacancy if and when "it was found necessary for reasons of service". The Committee was informed that, as a result, 37 per cent of all recruitment at UNESCO in 1998-1999 did not follow normal recruitment procedures. The General Conference has now directed that all posts must be advertised for three months.

25. The implementation of plans and the realization of objectives and expected results are often rendered more difficult because of less than full receipt of assessed and voluntary contributions. For example, UNIDO cited problems of chronic non-collection of assessed contributions, and IAEA alluded to the great uncertainties which surround the receipt, timing and amount of extrabudgetary funding.

26. The Advisory Committee also emphasizes the need for agencies to collaborate and learn from each other in the reform process. A first step in this regard should be the harmonization of terminologies relating to planning, budgeting and human resources reform. The Committee notes that in the report of the Joint Inspection Unit entitled "Results-based budgeting: the experience of United Nations system organizations", the Unit stressed that "the lack of agreement among the organizations of the system on definitions for the key [results-based budgeting] terms suggests that this is an area of [results-based budgeting] development that still requires further consideration in a systematic manner".[5] In this connection, the Committee recalls its statement in paragraph 69 of its report on its activities during the fifty-second session of the General Assembly[6] that the terminology that had been introduced thus far might add to the difficulties of understanding what was being reformed and what was meant by results-based budgeting in the United Nations system.

27. Similarly, there is a need to share lessons learned and experiences in the development of management information systems for the implementation, monitoring, evaluation and reporting on programmes and other operations. The lack of coordination in this area had been identified by the Advisory Committee, in paragraph 71 of its 1998 report, as a weakness.[6] It can lead, among other things, to potentially costly duplicate systems. The Committee is concerned that the systems supporting early warning activities in FAO and WFP, the Food Insecurity and Vulnerability Information Mapping systems and the Vulnerability Analysis and Mapping system, may be examples of such duplication. In addition, there is evidence that systems are developed and then abandoned or considerably modified, demonstrating inadequate identification of needs prior to system design and implementation. There is also evidence of underestimation of related costs and unrealistic investment in information technology; this ultimately leads to more expenditure when attempts are made to correct mistakes. An example of this is the Monitoring, Evaluation and Reporting System (MERS), which ILO has ceased to use for administrative purposes, as it was found to lack the requisite flexibility.

28. Devolution of responsibility and greater movement of staff from headquarters to the field are being pursued with vigour by several of the agencies. The Advisory Committee welcomes the trend and points out that, for delegation of authority to succeed and be effective, it must be accompanied by central capacity to monitor field performance, using new technologies to avoid excessive paper reporting and the attendant bureaucracy. The field offices must also be provided with the new equipment and technologies, as well as qualified staff to carry out the new assignments.

Results-based budgeting

29. One of the main objectives of the meetings of the Advisory Committee with the specialized agencies, IAEA and OECD was to gather information and learn from their experience with the various forms of what at the United Nations is called results-based budgeting. The Committee has used the information it gathered in its examination of the report of the Secretary-General on results-based budgeting.[4]

30. During its discussions with the agencies, IAEA and OECD on results-based budgeting, a number of issues emerged that, in the opinion of the Advisory Committee, are key to the development of the results-based model at the United Nations. Among these are the absolute necessity of involving member States and staff at all levels at every stage of the process, the need for adequate information and cost accounting systems to support the results-based approach and the need for human resources reform linked to the new budgetary process. In order for expected accomplishments to be achieved, care should be taken to ensure that the level of resources is commensurate with the intended objective. The Advisory Committee noted a serious lack of coordination among the agencies in sharing experiences and lessons learned. Furthermore, the plethora of terminologies used by the agencies to describe similar ideas relating to results-based techniques serves only to confuse matters. **The Advisory Committee recommends that a mechanism be developed, possibly within the framework of the machinery of the Administrative Committee on Coordination, to permit the agencies to coordinate efforts and share experiences, with priority to be given in the early stages to harmonizing terminologies in this area.**

Human resources reform and training

31. All the agencies with which the Advisory Committee met are undertaking extensive human resources reforms, including gender mainstreaming, career development and training. New management practices are being introduced involving, among other things, the streamlining of recruitment procedures and the revision of contractual status through an increase in the number of short-term contract staff. The latter has been facilitated by the ageing of the staff of the secretariats and consequent increased rate of retirement/separation. The Committee was informed that, in WHO, for example, more than half of the Professional staff was 50 years old or older, while in the General Service category, the largest concentration of staff was in their forties. The trend in the agencies appears to be to reduce long-term contracts in favour of short-term contracts of one to five years. There also appears to be an increasing emphasis on accountability of programme managers accompanied by greater flexibility in the procurement of staff and non-staff resources. In the view of the Committee, the challenge in human resources reform is to link the reform with the need to obtain the proper mix of staff expertise to implement the mandates entrusted to the organizations by member States.

32. Training is an area of growing importance in the agencies, and one on which large amounts of resources are being spent. In this connection, the Advisory Committee stresses the need for collaboration and cooperation among the agencies. In the opinion of the Committee, the ILO Training Centre at Turin, Italy, has a role to play in this regard and has the potential, as a central facility, to train personnel of the United Nations system.

33. The United Nations Staff College was established by the Secretary-General in January 1996 as a United Nations project for an initial period of five years. As the initial five-year period is drawing to a close, an evaluation has been undertaken to determine the future of the College. The Advisory Committee will comment in detail on this issue in the context of its consideration of the report of the Secretary-General on the United Nations Staff College project (A/55/369) and the report of the Independent Evaluation Team on the Future of the United Nations Staff College (A/55/369/Add.1). In a related matter, the Committee was informed that the United Nations Staff College was in the process of developing indicators to measure the impact of training programmes and that it was collecting data on training activities system-wide. **The Committee welcomes that initiative and requests that the data be communicated to it once available.**

Cooperation in the field for peacekeeping and humanitarian operations

34. In the opinion of the Advisory Committee, the collaboration of the agencies with the United Nations in peacekeeping operations needs strengthening. The United Nations must make concerted efforts to engage the specialized agencies and use their specific expertise in the related areas of peace-building, rehabilitation and reconstruction. They represent an untapped reservoir of know-how, which must be targeted and organized. It does not seem logical, for example, that FAO does not have substantive operational staff in the United Nations Transitional Administration in East Timor (UNTAET) or in UNMIK. The Committee will make specific recommendations on cooperation with the agencies in peacekeeping operations in

the context of its consideration of the report of the Panel on United Nations Peace Operations (see A/55/305-S/2000/809).

35. The security of civilian personnel in the field is an area of increasing concern for the agencies. WFP briefed the Advisory Committee on this topic. In this connection, the Committee recalls its statement in paragraph 41 of its general report on peacekeeping operations to the General Assembly at its fifty-fourth session,[7] in which it strongly urged the organizations of the United Nations system to coordinate carefully their security and safety activities at the field level. In the Committee's opinion, there is a need to have a comprehensive system-wide approach under the aegis of the United Nations. The Committee will revert to this issue in the context of its consideration of the report of the Secretary-General on safety and security of United Nations personnel (A/55/494), which was requested by the Committee in its first report on the proposed programme budget for the biennium 1999-2000.[8]

36. The Advisory Committee was briefed extensively by UNHCR, WFP and FAO on emergency response arrangements. All the representatives expressed some dissatisfaction with the present Inter-Agency Standing Committee, considering it a good forum for discussing policy, but too large and unwieldy to respond effectively in emergency situations. **In the opinion of the Advisory Committee, there is a need to review current emergency coordination arrangements. Mechanisms for sharing experience in such areas as the rapid deployment of staff, including roster arrangements, should be explored.** The Advisory Committee will comment further on this issue in the context of its consideration of the report of the Panel on United Nations Peace Operations.

United Nations offices and programmes

37. There is a need at Headquarters and at the Offices at Geneva and Vienna to agree on common performance standards, terminology and a methodology to collect, analyse and report on performance in conference services. In this connection, the Advisory Committee recalls its report on the financial reports and audited financial statements and reports of the Board of Auditors, in which it encouraged the continued development and improvement of performance measurement standards (A/55/487, para. 14). The Committee points out that the raw data given to it, without any analysis on the part of the Offices involved, is meaningless, given the fact that formats and methodologies differ, not only from duty station to duty station, but also between departments and units at the same Office. **The Committee notes that an attempt has been made to provide it with background materials in electronic form. The Committee encourages this trend and requests that such information be provided in user-friendly form.**

Expression of thanks

38. The Advisory Committee would like to express its gratitude to the Government of Italy, which provided it with full support and cooperation, including air transport between Rome, Turin, Brindisi and Pristina.

Notes

[1] International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991.

[2] International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994.

[3] A/54/960, annex.

[4] A/54/456 and Add.1-5.

[5] A/54/287, para. 31.

[6] *Official Records of the General Assembly, Fifty-third Session, Supplement No. 7* (A/53/7 and Add.1-15), document A/53/7.

[7] A/54/841.

[8] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7* (A/54/7), para. VIII.39.

Annex

Reports of the Advisory Committee on Administrative and Budgetary Questions

Fall session 1999
(New York, 7 September-17 December)

Symbol	*Title or description*
Reports to the General Assembly	
A/54/406	Financing of the United Nations Mission in East Timor (28 September 1999)
A/54/418	Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission (29 September 1999)
A/54/441	Financial reports and audited financial statements, and reports of the Board of Auditors (6 October 1999)
A/54/450	Human resources management (7 October 1999)
A/54/470	Gratis personnel (15 October 1999)
A/54/490	Financing of the United Nations Observer Mission in Sierra Leone (22 October 1999)
A/54/622	Financing of the United Nations Interim Administration Mission in Kosovo (19 November 1999)
A/54/645	Proposed requirements of the International Tribunal for the Former Yugoslavia for 2000 (2 December 1999)
A/54/646 and Add.1	Proposed requirements for the International Tribunal for Rwanda for 2000 (2 and 9 December 1999, respectively)
A/54/647	Financing of the United Nations Observer Mission in Sierra Leone; Financing of the United Nations Mission in Sierra Leone (2 December 1999)
A/54/653	Financing of the United Nations Transitional Administration in East Timor (6 December 1999)
A/54/657	Analysis of the organizational structure and the personnel and technical resources of the Non-Governmental Organizations Section of the United Nations Secretariat (7 December 1999)
A/54/659	International Civilian Support Mission in Haiti (9 December 1999)

Symbol	*Title or description*
A/54/661	Support account for peacekeeping operations (10 December 1999)
A/54/667	The situation in Afghanistan and its implications for international peace and security (14 December 1999)
A/54/675	Implementation of the Programme of Action for the Least Developed Countries for the 1990s (17 December 1999)
Reports on the proposed programme budget for the biennium 2000-2001[a]	
A/54/7	First report on the proposed programme budget for the biennium 2000-2001
A/54/7/Add.1	Administrative expenses of the United Nations Joint Staff Pension Fund (14 October 1999)
A/54/7/Add.2	Revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive session of 1999 (28 October 1999)
A/54/7/Add.3	United Nations Conference on Trade and Development — Analysis of savings resulting from the improved overall cost-effectiveness achieved pursuant to the ninth session of the Conference, including the restructuring of the intergovernmental machinery and the reform of the secretariat (2 December 1999)
A/54/7/Add.4	Integrated Management Information System project (2 December 1999)
A/54/7/Add.5	Programme budget for the biennium 1998-1999 — Proposed programme budget for the biennium 2000-2001 (3 December 1999) – Construction of additional conference facilities at Addis Ababa – Unforeseen and extraordinary expenses – Proposed abolition of two General Service posts under income section 3, Services to the public – Internal and external printing practices at the Organization – Temporary assistance for meetings: requirements for 2000-2001 – Rental of United Nations premises by press and other entities – Proposed programme budget for the biennium 2000-2001: section 26, Public information

Symbol	*Title or description*
	– Use of general temporary assistance for specific positions
A/54/7/Add.6	International Trade Centre UNCTAD/WTO (9 December 1999)
A/54/7/Add.7	Second performance report on the programme budget for the biennium 1998-1999 (9 December 1999)
A/54/7/Add.8	Projects to be funded from the resources proposed under section 33, Development Account, of the proposed programme budget for the biennium 2000-2001 (10 December 1999)
A/54/7/Add.9	Revised estimates: effect of changes in rates of exchange and inflation (10 December 1999)
A/54/7/Add.10	Estimates in respect of matters of which the Security Council is seized (13 December 1999)
A/54/7/Add.11	Revised estimates under sections 3, Political affairs, and 5, Peacekeeping operations (14 December 1999)
Other reports	
A/AC.96/916/Add.2	Office of the United Nations High Commissioner for Refugees: annual programme budget for 2000 (22 September 1999)
WFP/EB.3/99/3 (A-C)/2	World Food Programme: budget proposal for the biennium 2000-2001; second progress report on the implementation of the recommendations in the 1996-1997 audit report of the External Auditor, and the funding of WFP after-service medical liabilities (1 October 1999)
AC/1402	United Nations Relief and Works Agency for Palestine Refugees in the Near East: Financial situation in 1998 and budget estimates for 2000-2001 (27 September 1999)
E/CN.7/1999/20	Fund of the United Nations International Drug Control Programme: Proposed final biennial support budget for 1998-1999 and proposed initial support biennial budget for 2000-2001 (9 November 1999)
UNU/C/46/L.5/Add.1	United Nations University proposed academic programme and budget for the biennium 2000-2001 (17 November 1999)
AC/1412	United Nations Institute for Disarmament Research draft work programme and proposed budget for 2000 (2 December 1999)
AC/1416	United Nations Environment Programme: Budget mock-up (10 December 1999)

Symbol	*Title or description*
DP/2000/7	United Nations Development Programme: Comprehensive revision of the financial regulations and rules (13 January 2000)
DP/FPA/2000/5	United Nations Population Fund: Administrative and operational support costs reimbursed to UNFPA and revision of UNFPA financial regulations (12 January 2000)
Letters to the Secretary-General	
AC/1397	Committee's concurrence to enter into commitments to meet the requirements of the United Nations Mission in East Timor (27 August 1999)
AC/1398	Committee's concurrence to enter into commitments in connection with the maintenance of the United Nations Mission in East Timor (9 September 1999)
AC/1400	Committee's concurrence to enter into commitments for the United Nations Observer Mission in Sierra Leone (20 September 1999)
AC/1403	Committee's concurrence to enter into commitments to meet additional costs for the United Nations Mission for the Referendum in Western Sahara (6 October 1999)
AC/1404	Committee's concurrence in the proposed appointments to the Investment Committee (7 October 1999)
AC/1406	Committee's concurrence to enter into commitments in connection with the financing of the United Nations Mission in Sierra Leone (4 November 1999)
AC/1407	Committee's concurrence to enter into commitments to meet the most immediate start-up costs of the United Nations Transitional Administration in East Timor (4 November 1999)
AC/1408	Committee's concurrence in the encumbrance of the remaining $700,000 to cover activities to be implemented during the final phase of the project, as detailed in the eleventh progress report of the Secretary-General on the Integrated Management Information System (A/54/474) (9 November 1999)
AC/1410	Committee's concurrence to enter into commitments for the United Nations preliminary deployment in the Congo subregion for the period 6 August 1999 to 15 January 2000 (24 November 1999)

Symbol	*Title or description*
AC/1411	Committee's concurrence for additional requirements for the situation of human rights in East Timor, as approved by the Economic and Social Council (30 November 1999)
AC/1413	Committee's concurrence to enter into additional commitments in order to meet the additional cost of the extension of the United Nations Civilian Police Mission in Haiti (10 December 1999)
AC/1414	Committee's request that the report of the Expert Group to conduct a review of the effective operation and functioning of the International Tribunal for the Former Yugoslavia and the International Tribunal for Rwanda be submitted to the international tribunals for their comment (10 December 1999)
AC/1415	Committee's concurrence to enter into commitments in connection with the cost of the liquidation of the United Nations Observer Mission in Angola (10 December 1999)
AC/1417	Committee's consideration of the estimates for administrative costs of the United Nations Fund for International Partnerships for the year 2000 (10 January 2000)
AC/1418	Committee's concurrence to enter into commitments for the establishment of the United Nations Organization Mission in the Democratic Republic of the Congo (27 December 1999)

Oral statements[b]

1. Possibility of establishing a permanent interpretation service at Nairobi
2. Provision of interpretation services to meetings of regional and other major groupings of Member States
3. Improved utilization of conference facilities at the United Nations Office at Nairobi
4. Angola procurement irregularities
5. Administrative and financial implications of the decisions and recommendations of the International Civil Service Commission
6. United Nations Institute for Disarmament Research subvention
7. Gratis personnel provided by Governments and other entities

Symbol	*Title or description*
	8. Personnel practices and policies
	9. General and complete disarmament: small arms
	10. United Nations Verification Mission in Guatemala
	11. Programme budget implications of draft resolution A/54/L.24/Rev.1 on the situation in Central America
	12. Report of the International Law Commission
	13. Use of mercenaries
	14. Death and disability benefits
	15. Programme budget implications: Transport of Dangerous Goods

Winter session 2000
(New York, 1 February-31 March)

Symbol	*Title or description*
Reports to the General Assembly	
A/54/782	Death and disability benefits (3 March 2000)
A/54/801	Financial reports and audited financial statements, and reports of the Board of Auditors (15 March 2000)
A/54/802	Financing of the United Nations Mission in East Timor (17 March 2000)
A/54/804	Financing of the United Nations Transitional Administration in East Timor (17 March 2000)
A/54/813	Financing of the United Nations Organization Mission in the Democratic Republic of the Congo (28 March 2000)
A/54/822	Financing of the United Nations Mission of Observers in Tajikistan (3 April 2000)
A/54/823	Financing of the Civilian Police Support Group (3 April 2000)
A/54/824	Financing of the United Nations Preventive Deployment Force (3 April 2000)
A/54/825	Financing of the United Nations Civilian Police Mission in Haiti (3 April 2000)
A/54/826	Reform of the procedure for determining reimbursement to Member States for contingent-owned equipment (3 April 2000)
A/54/831	Financing of the United Nations Observer Mission in Angola (4 April 2000)
A/54/832	Support account for peacekeeping operations (5 April 2000)
A/54/835	Financing of the United Nations Protection Force, the United Nations Confidence Restoration Operation in Croatia, the United Nations Preventive Deployment Force and the United Nations Peace Forces headquarters (6 April 2000)
A/54/841	Financing of the United Nations peacekeeping operations (7 April 2000)
A/54/841/Add.1	United Nations Disengagement Observer Force (7 April 2000)
A/54/841/Add.2	United Nations Interim Force in Lebanon (7 April 2000)

Symbol	*Title or description*
A/54/841/Add.3	Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission (7 April 2000)
A/54/841/Add.4	Financing of the United Nations Peacekeeping Force in Cyprus (10 April 2000)
A/54/841/Add.5	Financing of the United Nations Observer Mission in Georgia (10 April 2000)
A/54/841/Add.6	Financing of the United Nations Mission in Bosnia and Herzegovina (7 April 2000)
A/54/841/Add.7	Financing of the United Nations Mission for the Referendum in Western Sahara (7 April 2000)
A/54/841/Add.8	Financing of the United Nations Logistics Base at Brindisi (10 April 2000)
A/54/842	Financing of the United Nations Interim Administration Mission in Kosovo (7 April 2000)
Proposed programme budget for the biennium 2000-2001[a]	
A/54/7/Add.12	Review and assessment of the asbestos problem at the United Nations: management of asbestos-containing materials at the United Nations Headquarters buildings (15 March 2000)
A/54/7/Add.13	Review of the resource requirements for the high-level international intergovernmental event on financing for development and the Third United Nations Conference on the Least Developed Countries (17 March 2000)
Other reports	
WFP/EB.1/2000/3/2	Report on the World Food Programme chartered flight KSV 3275 to Kosovo (7 February 2000)
AC/1423	United Nations Institute for Training and Research: programme budget for 2000 (9 March 2000)
E/ICEF/2000/AB/L.4	United Nations Children's Fund: Multi-year funding framework: securing adequate resources to achieve the medium-term plan priorities and proposed modifications to the budget process (5 April 2000)
Letters to the Secretary-General	
AC/1425	Proposed transfers between sections (27 March 2000)

Symbol	*Title or description*
Other letters	
AC/1422	Sir John Bourn, Chairman of the Board of Auditors, concerning the allocation of audit assignments (8 February 2000)
AC/1424	Sir John Bourn, Chairman of the Board of Auditors, concerning the request to conduct a specific examination of practices and procedures with regard to the handling of arbitration/claims cases by the United Nations Administration from 1994 (23 March 2000)
Oral statements[b]	
	Estimates in respect of matters of which the Security Council is seized; political missions in Guinea-Bissau (United Nations Peace-building Support Office in Guinea-Bissau) and in the Central African Republic (United Nations Peace-building Support Office in the Central African Republic)

Spring session 2000
(New York, 2-25 May)

Symbol	*Title or description*
Reports to the General Assembly	
A/54/858	Financing of the United Nations Observer Mission in Sierra Leone Financing of the United Nations Mission in Sierra Leone (4 May 2000)
A/54/859	Review of the rates of reimbursement to the Governments of troop-contributing States (5 May 2000)
A/54/865	Financing of the United Nations Mission in the Central African Republic (11 May 2000)
A/54/868	Analysis of the organizational structure and the personnel and technical resources of the Non-Governmental Organizations Section of the Secretariat (16 May 2000)
A/54/874	Comments on the report of the Expert Group to conduct a review of the effective operation and functioning of the International Tribunal for the Former Yugoslavia and the International Tribunal for Rwanda (19 May 2000)
A/54/875	Financing of the United Nations Transitional Administration in East Timor (19 May 2000)
Proposed programme budget for the biennium 2000-2001[a]	
A/54/7/Add.14	Review of the resource requirements for the high-level international intergovernmental event on financing for development and the Third United Nations Conference on the Least Developed Countries (10 May 2000)
Oral statements[b]	
	1. Estimates pertaining to matters of which the Security Council is seized
	2. The Millennium Assembly of the United Nations
	3. Gratis personnel provided by Governments and other entities
	4. Financing of the United Nations Organization Mission in the Democratic Republic of the Congo
	5. Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observer Mission

Symbol	*Title or description*
Letters to the Secretary-General	
AC/1427	The United Nations Observer Mission in Sierra Leone, the United Nations Civilian Police Mission in Haiti and the United Nations Mission of Observers in Tajikistan (16 June 2000)
AC/1428	United Nations Peace-building Support Office in Tajikistan (7 July 2000)
AC/1429	Committee's concurrence to enter into additional commitments in order to meet the most immediate requirements related to the provisional expansion of the United Nations Interim Force in Lebanon (26 May 2000)
AC/1430	Expert panel to undertake a preliminary investigation into the situation of illegal exploitation of natural resources and other forms of wealth in the Democratic Republic of the Congo (7 July 2000)
AC/1431	Committee's concurrence with the requirements related to the Security Council decisions concerning the situation in Sierra Leone (14 August 2000)

[a] See *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7* (A/54/7); and ibid., *Supplement No. 7A* (A/54/7/Add.1-14).

[b] Ibid., *Supplement No. 7A*, annex.

Document A/55/7/Add.1

Second report

Review and assessment of the asbestos problem at the United Nations; facilities management; Overseas Properties Management and Information Exchange Network; common services; internal and external printing practices; and proposed measures to improve the profitability of commercial activities

[22 November 2000]
[Original: English]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General entitled "Review and assessment of the asbestos problem at the United Nations and management of asbestos-containing materials at overseas buildings at Geneva, Vienna, Nairobi and at the locations of the regional commissions" (A/55/135), "Facilities management",[1] "Overseas Properties Management and Information Exchange Network: a globally coordinated collaborated approach to facilities management" (A/55/210), "Common services" (A/55/461), "Internal and external printing practices of the Organization" (A/55/132) and "Proposed measures to improve the profitability of the commercial activities of the United Nations" (A/55/546). During its consideration of the reports, the Advisory Committee met with representatives of the Secretary-General, who provided additional information and clarifications.

Review and assessment of the asbestos problem

2. The report of the Secretary-General on the review and assessment of the asbestos problem (A/55/135) provides an assessment of the existing conditions with regard to asbestos-containing materials at United Nations buildings located in Geneva, Vienna, Nairobi and at regional commission buildings in Addis Ababa, Bangkok, Beirut and Santiago. The report includes a review of measures and procedures being followed to avoid any harmful effects of such materials on the health of staff members, delegates and other persons working in and visiting the buildings.

3. The Secretary-General indicates in paragraph 18 of his report (ibid.) that asbestos-containing materials were used only in limited quantities in buildings for the United Nations Office at Geneva and that almost all the asbestos-containing materials have been removed, except for small amounts of fireproofing material, which is fully encapsulated and poses no risk to the occupants. Accordingly, no additional funds or resources are required for the management of the asbestos problem at the United Nations Office at Geneva.

4. The asbestos problem at the United Nations Office at Vienna is described in paragraphs 19 to 27 of the report of the Secretary-General. As indicated in paragraph 19, asbestos-containing materials were widely used in the steel structure ceilings, walls, partitions and other areas of the United Nations Office at Vienna

buildings as acoustic, fireproofing and insulation covering. Use of such materials was permitted in Austria up until 1979. Since all buildings were constructed prior to 1979, there were no restrictions governing the use of asbestos-containing materials during the design and construction phase.

5. The Advisory Committee notes from paragraph 23 of the same report that, more than 10 years ago, the Buildings Management Service at the United Nations Office at Vienna started a programme of regular inspections and encapsulation of asbestos surfaces so as to prevent asbestos fibres becoming airborne and that periodic monitoring of air quality has confirmed the fibre count to be well below the safe threshold value in all buildings at the United Nations Office at Vienna.

6. The Advisory Committee notes the conclusion in paragraph 27 of the report of the Secretary-General that a long-term master plan for the removal of asbestos in the Vienna International Centre is under development and that associated processes and costs are under discussions between the United Nations and the Austrian Government. **The Committee intends to review the asbestos problem at the United Nations Office at Vienna as appropriate and inform the General Assembly accordingly.**

7. As stated in paragraph 28 of the report of the Secretary-General, the buildings at the United Nations Office at Nairobi complex do not contain any asbestos. There is therefore no asbestos problem there.

8. The Secretary-General indicates in paragraph 29 of his report that, during the construction of the Economic Commission for Africa (ECA) headquarters at Addis Ababa, a material containing asbestos was used on a relatively small scale. **The Advisory Committee is concerned that no tests have been performed, to date, to determine the type of asbestos-containing materials at ECA;** at the same time the Committee notes from paragraph 30 of the report that a programme of bulk samples testing to determine the extent of the asbestos problem is being developed in coordination with Headquarters for use commencing in 2001 and thereafter. The Committee welcomes the statement in paragraph 32 of the report that, in the absence of regulations issued by the local authorities regarding asbestos monitoring, control, testing, removal and disposal guidelines would be developed and used for ECA offices in coordination with Headquarters along the lines of codes, standards and guidelines used in the United States of America and Europe. The Committee also notes from paragraph 33 of the report that a programme of regular indoor air quality testing with regard to fibre count is being developed in coordination with United Nations Headquarters for use commencing in 2001 and thereafter.

9. With regard to the asbestos problem at the Economic Commission for Latin America and the Caribbean (ECLAC), the Secretary-General indicates in paragraph 40 of his report that approximately $250,000 was budgeted in the biennium 2000-2001 for the replacement of all existing asbestos-containing wall partitions with new asbestos-free wall partitions and that, after completion of the project, there will no longer be any asbestos-containing materials at ECLAC headquarters and hence, no additional resources will be required.

10. According to the Secretary-General, the facilities at the Economic and Social Commission for Asia and the Pacific (ESCAP) comply fully with local and international standards with regard to asbestos-containing materials; asbestos that was used as a binding material in vinyl tiles is considered fully encapsulated and

non-friable, the rules and regulations do not require removal of such tiles except when they become damaged or a renovation of the affected area is undertaken. The Advisory Committee notes from paragraph 48 of the report of the Secretary-General that ESCAP plans to replace asbestos-containing vinyl tiles in a phased manner over a six-year period, commencing in the biennium 2002-2003, for an estimated total cost of $400,000 to be spread over the six years; after completion of the above-mentioned replacement project, ESCAP facilities will be free of asbestos-containing materials.

11. The Secretary-General reports in paragraph 50 of his report, that the Economic and Social Commission for Western Asia (ESCWA) headquarters complex, including facilities for United Nations agencies and other international organizations, does not contain any asbestos material and that, therefore, there is no asbestos problem there.

12. **The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General.**

Facilities management

13. The report of the Secretary-General on facilities management submitted to the General Assembly at its fifty-fourth session[1] provides an update on the principal properties occupied by the United Nations worldwide since the previous two reports on the issue to the Assembly at its forty-fifth[2] and fiftieth[3] sessions. The report[1] also attempts to respond to the recommendations of the Advisory Committee made in the context of its review of the proposed programme budgets for the bienniums 1996-1997 and 2000-2001 that Headquarters maintain a coordinating role in an overview of all United Nations facilities with regard to their physical condition, property valuation, sharing of mutual experiences, knowledge of facilities-related contracts, efficiency measures and maintenance and alterations/improvements and that the Secretary-General indicate the value of United Nations-owned buildings and submit a comparison between the United Nations and normal standards for the cost of maintenance vis-à-vis the value of buildings. In his report, the Secretary-General also sets out the implications for long-range major maintenance and the modernization of the existing buildings. **The Committee welcomes the report of the Secretary-General and his efforts in exploring the ways and means of coordinating a common approach to the management of United Nations buildings and land of a total estimated value of approximately $5,186,900,000.**

14. The Advisory Committee has analysed the approach towards the coordinating role of Headquarters in the overview of all United Nations facilities outlined in paragraphs 5 to 10 of the report of the Secretary-General.[1] **The Committee agrees with the Secretary-General's approach.** The Committee notes that the Office of Central Support Services will provide a coordinating role for monitoring, information exchange and policy dissemination with respect to locations outside Headquarters in collaboration with an Organization-wide team of designated Professionals as focal points from each duty station. To fulfil this function, the Office of Central Support Services at Headquarters will develop, in close collaboration with the administrations at other duty stations, an integrated and systematic Organization-wide policy and an administrative, procurement and budget information exchange programme, with the objectives of: (a) developing a common

framework for the property values; (b) assessing relative operational and maintenance costs; and (c) assessing energy costs.

15. Paragraphs 23 to 27 of the report of the Secretary-General provide information on guidelines for adequate financial resources for preventive maintenance. **The Advisory Committee shares the view of the Secretary-General set out in paragraph 23 of his report that the postponement, owing to lack of resources, of preventive maintenance often increases the overall need for resources in order to take care of emergency repairs at a later date. In this connection, the Committee draws attention to the information contained in paragraphs 24 and 25 of the report of the Secretary-General which, in the view of the Committee demonstrates that the current effective level for major maintenance expenditures at United Nations-owned buildings is well below the minimum recommended industry standards.**

16. According to the Secretary-General, the annual rate for major maintenance expenditures on United Nations buildings in the regular programme budget for the biennium 2000-2001 was only 0.88 per cent, based on the proposed biennium appropriation of $32.5 million, compared with the industry guidelines of a minimum of 2 per cent per annum and the recommended target rate of 3 per cent per annum. Furthermore, the Secretary-General indicates in paragraph 26 of his report that, given the current minimal level of funding, it would not be unreasonable to establish as a minimum target at least a 3.2 times increase in the combined annual expenditure by all parties for major maintenance on these buildings for the next biennium.

17. The Advisory Committee shares the view of the Secretary-General in paragraph 27 of his report that "budget planning on the basis of guideline rates is not a substitute for careful analysis of the specific needs and maintenance requirements of each individual facility. However, a global maintenance budget that is substantially and consistently below the guideline rate is clear evidence of chronic under-budgeting and is a signal of potential future problems". In this connection, the Committee recalls its observation in paragraph 23 of its first report (see document A/55/7 above) that there is a limit to which support services can be reduced without negatively impacting on programme implementation. Furthermore, in some cases, a reduction in support services may lead to the necessity for greater expenditure in the future. Prime examples of this are the constant reductions in spending for buildings maintenance at Headquarters and at the United Nations Educational, Scientific and Cultural Organization (UNESCO), with the result that the cost of asset rehabilitation is now almost prohibitive. The Committee was informed that the cost of rehabilitation of UNESCO headquarters would be more than $400 million. For Headquarters, it would be over $1 billion.

18. Part III, paragraphs 30 to 36 of the report of the Secretary-General describes the programme strategy for improvements in administrative and financial efficiency. The Advisory Committee notes that the Secretary-General recognizes that a more focused, integrated approach must be adopted for facilities management and steps must be taken to improve coordination under this subprogramme. **The Committee intends to review in due course the activities of the subprogramme that will be fully detailed in the capital master plan and proposed programme budget for the biennium 2002-2003; the Committee will submit its recommendations to the General Assembly accordingly.**

19. The Advisory Committee welcomes the measures outlined in paragraphs 32 to 35 of his report that the Secretary-General intends to take to support information technology and for technical facilities support for administrations as well as activities to facilitate coordination and programme preparation.

20. Taking into account its comments and observations above, the Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General on facilities management.

Overseas Properties Management and Information Exchange Network

21. The report of the Secretary-General on the Overseas Properties Management and Information Exchange Network (A/55/210) contains a substantial amount of information included in his report on facilities management[1] and also addresses the recommendation of the Advisory Committee that Headquarters maintain a coordinating role for an overview of all United Nations facilities with regard to their physical condition, property valuations, facilities-related contracts, efficiency measures, maintenance and alterations/improvement projects and environmental concerns. The Secretary-General states in the summary of the report (ibid.) that, in order to facilitate such coordination of common concerns related to facilities management, the Office of Central Support Services at Headquarters is proposing an Organization-wide collaborative team of professionals from each duty station, called the "Overseas Properties Management Information Exchange Network (OPMIEN)". The purpose of such a collaborative team would be to network regularly and exchange information on best practices, common approaches and policy directives that would enhance the safety, reliability, efficiency and operations of the facilities while integrating into the buildings' infrastructure the evolving technological innovations. The functions and membership of the network are indicated, accordingly, in paragraphs 22 and 23 of the report of the Secretary-General. **The Committee stresses the importance of building up reliable and comprehensive databases in all major areas of facilities management. The Committee is also of the view that the membership of OPMIEN should be organized in such a way as to ensure its efficiency.**

22. The Advisory Committee notes the statement in paragraph 24 of the report that all resources required to support OPMIEN at Headquarters and at each of the duty stations and funds and programmes will be included in their respective regular budgets, that no separate centralized funding is envisioned and that the matter may be reviewed for any special large construction projects that may fall under the review and management of the network.

23. The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General.

Common services

24. The Secretary-General indicates in the summary of his report on common services (A/55/461) that, following the announcement of the reform measures in March 1997, the Task Force on Common Services was launched in New York under

the convenership of the Assistant Secretary-General for Central Support Services, in his capacity as Executive Coordinator for Common Services, with the participation of departments from the Secretariat and the United Nations funds and programmes, including the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), the United Nations Population Fund (UNFPA), the United Nations Office for Project Services (UNOPS), the World Food Programme (WFP) and the Office of the United Nations High Commissioner for Refugees (UNHCR). Eleven working groups were initially established comprising legal services, financial (treasury) services, procurement services, printing services, facilities management, travel and transport services, archives and records management, security and safety services, personnel services, the Integrated Management Information System (IMIS) and information technology and telecommunications.

25. The responsibilities of the Common Services Task Force are listed in paragraph 9 of the report of the Secretary-General. In the opinion of the Secretary-General, considerable progress has been made over the last three and a half years in procurement, travel and transport services, human resources and IMIS; the Task Force has decided to establish a two-year project for a Common Services Support Unit to be attached to the Executive Coordinator, to be jointly financed by the Secretariat (40 per cent) and UNDP, UNICEF, UNFPA and UNOPS (together, 60 per cent).

26. The conceptual framework for common services is set out in paragraphs 11 to 14 of the report. **The Advisory Committee stresses the importance of the statement in paragraph 14 of the report that "in view of the considerable diversity in the procedures and approaches between the Secretariat and the funds and programmes, it is highly desirable to attempt to harmonize regulations, rules and procedures among the participating organizations to the maximum extent possible. This will provide a sound foundation for common services arrangements".**

27. Information on the common services working groups is contained in paragraphs 15 to 20 of the report. The Advisory Committee notes that the Task Force discontinued the technical working group on legal services in view of the ongoing service provider/user arrangement between the Secretariat and the funds and programmes. Similarly, the working group on safety and security was discontinued because it was concluded that it had reviewed a purely central service function. The Committee also notes from paragraph 19 of the report that, while some working groups performed well and achieved results, no notable progress was made in the working groups on facilities management, information technology and telecommunications and printing services. **The Committee is disappointed that the report does not contain analysis on the unsatisfactory performance of those working groups and notes with concern from paragraphs 45, 49 and 65 of the report that the working groups with unsatisfactory performance will be discontinued.**

28. **The Advisory Committee is not convinced that the decision to discontinue the working groups on facilities management, information technology and telecommunications and printing services is fully justified. The Committee is of the view that there is nothing to prevent the three working groups from being at least as productive as the other working groups of the Task Force on**

Common Services and contributing successfully to improving the efficiency of common services in their related areas of responsibility. The Committee points out the Secretary-General's statement, in paragraph 69 of his report, that experience has shown that success has been achieved in those working groups with good leadership and active participation. **The Committee also stresses that there are still many unresolved issues of common interest in the areas of facilities management, printing and information technology that can only be successfully pursued by joint efforts for which the working groups appear to be quite an appropriate forum.** In this connection, the Committee recalls its observation in its first report on the programme budget for the biennium 2000-2001 that printing is an area that should be given priority in developing common facilities[4] and its recommendation for a long-term coordinated strategy to achieve greater efficiency and effectiveness through technological innovation, not only in the United Nations but throughout the United Nations system.[5]

29. The proposed actions submitted for consideration by the General Assembly are reflected in paragraphs 71 and 72 of the report. **The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General and that it request the Secretary-General to report to it at its fifty-seventh session in 2002 on the progress made and decisions taken on the future of the Task Force on Common Services, bearing in mind the comments and observations of the Committee in the paragraphs above.**

External and internal printing practices of the Organization

30. The report of the Secretary-General on internal and external printing practices of the Organization (A/55/132) should be read together with the interim report on the matter contained in a note by the Secretary-General of October 1999.[6] The report of the Secretary-General (ibid.) provides essentially quantitative information on: (a) the total cost of operating all printing facilities in New York and Geneva; (b) the capacity of all the plants; (c) the printing workload of the organizations; (d) the printing programme that is contracted out; (e) comparative costs for in-house and external printing; (f) measures taken to achieve economies of scale, including through the development of common services; (g) measures taken to ensure that outputs are measured in the same way throughout the system; and (h) the potential for reducing the budget for printing as a result of reductions in hard-copy output.

31. The Advisory Committee inquired into what appears to be a discrepancy between an increase in internal printing costs for Headquarters for the biennium 1998-1999, compared to the biennium 1996-1997 (see table 1), and a decrease in the printing workload during the same period (see para. 8). The Secretariat clarified that both internal printing costs (table 1) and internal output measured in page impressions (para. 8) have decreased over the last three bienniums. According to the information received, the decrease in output, however, has been more pronounced than the decrease in costs, due to several reasons. Typical print runs, for example, have been reduced in order to save paper and to take advantage of electronic means of archiving and dissemination. The reduction of the average print run, however, results in higher costs per copy, or page impression, because the proportion of the total cost of each particular job accounted for by pre-press work, make-ready time and other "fixed" components increases. Average unit costs also increase when high print runs of technically simple materials become less predominant in the total

output and are replaced by more complex products which require a significantly higher level of labour per page impression. In addition, certain staff-related costs, in particular overtime, are more directly linked to the need to maintain processing capacity and to meet processing deadlines than to specific levels of physical outputs.

32. In the course of its consideration of the report of the Secretary-General, the Advisory Committee was informed that the Secretariat had purchased a computerized costing system which would significantly facilitate costing of printing and make it much more precise and elaborate. The system ("Printpak"), which is now installed both at Headquarters and at the United Nations Office at Geneva, is an off-the-shelf cost estimating system for the printing industry. It provides the cost of individual jobs, based on their respective technical specifications, materials and staff time required, plus a discretionary percentage covering indirect costs.

33. The Advisory Committee notes from paragraph 14 of the report that information on the technical means available in the United Nations Reproduction Section and samples of its products were provided to the relevant procurement and printing units of UNICEF, UNDP, UNFPA and UNOPS in the context of the activities of the inter-agency Task Force on Common Services; in addition a video presentation was made to senior managers of the funds and programmes and cost estimates were submitted in response to requests for proposals. Information on the printing facilities and printing requirements of UNICEF, UNDP and UNFPA is contained in paragraphs 24 to 32 of the report of the Secretary-General.

34. The Advisory Committee was informed of a lack of interest on the part of United Nations funds and programmes in using the printing facilities available at Headquarters. The Committee was also informed that the United Nations printing facilities can produce a large variety of printing materials for the United Nations funds and programmes efficiently and at very competitive costs. In paragraph 15 of his report, the Secretary-General provides the reasons for which the United Nations funds and programmes are reluctant to resort to the United Nations printing facilities at Headquarters, namely, technical complexity of publications, production deadlines, lack of technical capacity and cost considerations. **The Committee urges the Secretary-General to continue the efforts to make the United Nations printing services an attractive option for the printing requirements of the funds and programmes. Similarly, it urges the funds and programmes not arbitrarily to rule out recourse to United Nations printing facilities.**

35. The Advisory Committee notes a greater reduction (about 33 per cent) in printing costs achieved at the United Nations Office at Geneva during the last three bienniums, compared to a reduction in printing workload for the same period (about 25 per cent). According to the explanation provided in paragraphs 12 and 23 of the report, the cost-reduction results essentially from the introduction of streamlining measures, such as reduction in print runs, use of compact layouts that save paper and the gradual replacement of external typesetting by internal desktop publishing and of external reproduction by internal reproduction.

36. Information on the printing facilities of the specialized agencies based in Geneva (the International Labour Organization (ILO), the World Health Organization (WHO), the International Telecommunication Union (ITU), the World Meteorological Organization (WMO), the World Intellectual Property Organization (WIPO) and the World Trade Organization (WTO)) is contained in paragraphs 33 to 39 of the report. In addition, the Advisory Committee was informed, upon enquiry,

that among the specialized agencies based in Geneva, only ITU has the capacity to print sophisticated publications in colour. Nevertheless, it continues to outsource. The other agencies do not have such a capacity and outsource all of their colour publications.

37. As can be seen from the annex to the report, external printing costs for some United Nations entities, including specialized agencies (WHO and ILO), reflect significant expenses (based on 1999 data) and exceed the cost of external printing for Headquarters. **In this connection, the Advisory Committee observes that the annex to the report could have been more useful had it contained complete and comparable data. The Committee also requests that it be kept informed about the measures taken to improve the in-house publishing capacities of the United Nations Office at Geneva so that they could increasingly be used by the United Nations specialized agencies located in Geneva for their publishing needs. In this connection, the Committee is of the opinion that it would be desirable to have an independent technical evaluation of printing practices at the United Nations Office at Geneva, including costs of internal printing and outsourcing (external printing).**

38. **The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General, bearing in mind the comments and observations of the Committee contained in the paragraphs above.**

Proposed measures to improve the profitability of the commercial activities

39. The report of the Secretary-General on proposed measures to improve the profitability of the commercial activities (A/55/546) should be reviewed in conjunction with his forthcoming report on a proposed new visitors' experience, which will be submitted shortly. **Accordingly, the Advisory Committee intends to revert to the matter, as appropriate.**

Notes

[1] A/54/628.

[2] A/45/796.

[3] A/50/676.

[4] See *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7* (A/54/7), para. VIII.58.

[5] Ibid., para. 83.

[6] See A/C.5/54/18.

Document A/55/7/Add.2

Third report

Programme budget for the biennium 2000-2001 — Revised estimates under section 7, International Court of Justice; section 32, Staff assessment; and income section 1, Income from staff assessment

[28 November 2000]
[Original: English]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on revised estimates for the biennium 2000-2001 for the International Court of Justice (A/C.5/55/21). During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General.

2. As indicated in paragraphs 8 and 17 of the report of the Secretary-General (ibid.), the General Assembly, in its resolution 54/250 A of 23 December 1999, approved appropriations totalling $20,864,500 under section 7, International Court of Justice, of the programme budget for the biennium 2000-2001; however, owing to the large increase in the Court's caseload, the Secretary-General requests an additional appropriation of $606,100 under section 7 in order to allow the Court to discharge its functions. An additional appropriation of $131,200 would also be required under section 32, Staff assessment, offset by the same amount under income section 1, Income from staff assessment.

3. The Advisory Committee notes from paragraphs 10 to 12 of the report that the impact of the increase in the workload is felt the most in the Conference and Language Services of the Registry of the Court. These services are responsible for the provision of translation and interpretation for the Court. The work of the Conference and Language Services is currently carried out by six staff members (one P-5, four P-4 and one P-3) as well as by freelance translators and interpreters. Translation of less sensitive materials, such as annexes to pleadings, is usually done by external translators.

4. To address the needs of the Court, the Advisory Committee notes from paragraphs 13, 14 and 16 that the Secretary-General proposes to establish 12 temporary posts for translators (three P-4 and nine P-3 posts) and two General Service posts at a cost of $488,700. The Committee was informed that establishing these temporary posts was less expensive than hiring freelance and external translators.

5. In addition, as indicated in paragraph 15 of the report, it is estimated that $117,400 would be needed for temporary assistance to meetings, to cover the cost of hiring five additional typists for four work-months and one proof-reader to assist at peak workload periods, when hearings are held.

6. **The Advisory Committee recalls the views indicated in its report on the proposed programme budget for the biennium 2000-2001,[1] in which the Committee noted that, subsequent to the submission of the estimates for 2000-**

2001, there had been a dramatic increase in the number of cases before the Court that resulted in a heavier workload for the Court. Under the circumstances, the Committee recommends that the General Assembly approve an additional appropriation of $606,100 under section 7 and an additional appropriation of $131,200 under section 32, offset by the same amount under income section 1.

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7* (A/54/7), para. III.3.

Document A/55/7/Add.3

Fourth report

Review of the Information Systems Coordination Committee

[8 December 2000]
[Original: English]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the review of the Information Systems Coordination Committee (A/55/619). During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information and clarifications.

2. The report of the Secretary-General was submitted pursuant to General Assembly resolution 54/249 of 23 December 1999, in which the Assembly endorsed the recommendation made by the Advisory Committee in its first report on the proposed programme budget for the biennium 2000-2001, in the context of its review of jointly financed activities in the proposed programme budget for the biennium 2000-2001, that the role and future of the Information Systems Coordination Committee be reviewed and that, pending the outcome of such a review, the appropriation of the United Nations share of the budget be withheld.[1] The Assembly also requested the Secretary-General to identify appropriate resources to finance the United Nations share of the cost of the Coordination Committee for the first year of the biennium 2000-2001, and to report thereon in the context of the first performance report. In this connection, the Advisory Committee notes that, in paragraph 43 of the first performance report of the Secretary-General on the programme budget for the biennium 2000-2001 (A/55/645 and Corr.1), a provision of $517,600 ($260,000 for 2000 and $257,600 for the year 2001), equivalent to the United Nations share in the costs of the activities of the Coordination Committee, is proposed under section 29, Jointly financed activities, of the programme budget for the biennium 2000-2001.

3. Upon enquiry, the Advisory Committee was informed that the Secretary-General had been unable to identify alternative sources of funding and that the Information Systems Coordination Committee had begun its work for the biennium 2000-2001 using available funds. As the United Nations share of the budget for the Coordination Committee amounts to approximately 35 per cent, the remaining 65 per cent provided by the agencies, funds and programmes was used for 2000, and the programme was modified to ensure payment of staff costs and implementation of priority projects. Upon request, the Advisory Committee was provided with additional information concerning the impact of the resolution of the General Assembly on the programme of work of the Coordination Committee (see annex, sect. II, of the present report).

4. As indicated in paragraph 4 of the report of the Secretary-General (A/55/619), the Information Systems Coordination Committee was established in 1993 as part of a restructuring of the subsidiary machinery of the Administrative Committee on Coordination. The Coordination Committee is supported by a secretariat comprising one staff member at the D-1 level and one General Service (Other level) staff

member. The mandate of the Coordination Committee at present includes providing advice and medium-term and long-term strategic views to the Administrative Committee; decision-making on specific areas of information and communications technology that may require system-wide standardization; developing proposals on practices and standards that might be adopted by the organizations of the United Nations system; providing a forum for the exchange of information; and developing and maintaining an electronic repository for data on information systems.

5. The Advisory Committee notes, as indicated in paragraph 7 and section III of the report (ibid.), that the request made by the General Assembly in its resolution 54/249 came at a time when the Administrative Committee on Coordination had decided to undertake a wide-ranging discussion of information technology. It also followed a decision of the Administrative Committee to launch a further review of the functioning of the Administrative Committee and the role and structure of its subsidiary machinery. The Secretary-General indicates in paragraph 7 of his report that an important part of that review, which is currently in progress, is focused on the challenges posed for the United Nations system by the developments in the field of information and communications technology, as well as the role and functions of the Coordination Committee in that regard.

6. As a result of the review, the Administrative Committee on Coordination has established two high-level committees to strengthen coordination in the programme and management areas, respectively. The High-level Committee on Management will have as one of its main tasks the definition of the parameters of a strengthened coordination mechanism for information and communications technology. As indicated in paragraph 12 of the report (ibid.), the Coordination Committee will be called upon to support not only the activities of the coordination mechanism, but also those of the two high-level committees and the Administrative Committee itself in all matters related to information and communications technology. **The Advisory Committee trusts that the Administrative Committee will make maximum use of these committees it has established.**

7. Section IV of the report of the Secretary-General describes the nature of the cooperation between the United Nations Secretariat and the Information Systems Coordination Committee. In particular, the Coordination Committee and the Information Technology Services Division have been sharing information on several issues of common interest, such as the security of information technology, Internet policies, privacy protection, private automatic branch exchange technologies, personnel issues, information technology policies and enterprise resource planning systems. Other areas of cooperation include the project for the establishment of a United Nations system Extranet, which will allow the sharing of information among United Nations system staff in a secure environment, the online directory of senior officials and the consortium for purchasing licences for the electronic versions of commercial information.

8. The table in paragraph 26 of the report (ibid.) lists planned expenditures for the biennium 2000-2001 by project or type of activity. The Advisory Committee points out that, although the table includes funding requirements, there is no indication as to the stage of implementation, expected completion date, objectives or expected output of the projects. Accordingly, the Committee requested additional specific information on each of the individual projects (see annex, sect. II.B, of the

present report) and on the accomplishments of the Information Systems Coordination Committee (see annex, sect. I, of the present report).

9. In paragraph 31 of his report (ibid.), the Secretary-General recommends the continued funding of the United Nations contribution to the Information Systems Coordination Committee for the biennium 2000-2001. **In the light of the review of the role and functions of the Coordination Committee currently under way (see para. 5 above), and on the basis of the additional information contained in the annex to the present report, the Advisory Committee recommends approval of the proposal to reinstate funding of the United Nations share of the budget of the Coordination Committee for the biennium 2000-2001. The Advisory Committee trusts, however, that in the proposed programme budget for the biennium 2002-2003, the Secretary-General will set out clearly the programme of work of the Coordination Committee, as well as the expected accomplishments. The Advisory Committee expects also to receive concrete information that procedures are in place to ensure effective implementation of the recommendations of the Coordination Committee.**

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7* (A/54/7), chap. II, para. X.16.

Annex

Additional information concerning the Information Systems Coordination Committee

I. Accomplishments of the Information Systems Coordination Committee

1. The Information System Coordination Committee is part of the Administrative Committee on Coordination submachinery and annual reports are submitted to the Administrative Committee on Coordination, now through the newly established High-level Committee on Management. The Information Systems Coordination Committee works through task forces led by one of the organizations of the Administrative Committee on Coordination, supported by a small secretariat.

2. Given the fact that information and communication technology has changed enormously since the creation of the Information Systems Coordination Committee in 1993, the Committee has had to adjust its work programme to reflect new priorities and the pervasiveness of information and communication technology in virtually all work areas. The Committee, in common with all players in information and communication technology, has also had to deal with continually changing technologies, markets and methodologies.

3. Nevertheless, the Committee can count a number of accomplishments since 1993, including coordination in the following areas: (a) knowledge-sharing among peers; (b) simplifying access to information; and (c) harmonizing information and communication technologies throughout the United Nations system of organizations.

A. Knowledge-sharing

4. *Issues of common strategic interest.* The Committee facilitates ongoing discussion forums of information and communication technology managers and technical staff. Recent discussions that have led to common approaches and best practices include Internet use policies, privacy protection, telephone technologies, information technology policies, enterprise resource planning systems, and the discussion of year 2000 issues for information systems.

5. *Knowledge-sharing for programmatic activities.* The Committee is working together with the Consultative Committee for Programme and Operational Questions to develop best practices in knowledge-sharing for programmes (that is, "expert communities of practice"), and with a joint World Intellectual Property Organization/United Nations Conference on Trade and Development/International Telecommunication Union project to develop a clearing house for e-commerce activities.

6. *Collaboration with the Administrative Committee on Coordination.* The Committee developed a common format and design for the web sites for the Administrative Committee on Coordination and its subcommittees. It also works closely with other inter-agency committees, such as the Inter-Agency Meeting on Language Arrangements, Documentation and Publications, the Joint Inter-Agency

Meeting on Computer-Aided Translation and Terminology and the Joint United Nations Information Committee.

B. Simpler access to information

7. *Common indexing standards*. The Committee developed a core set of web site and document indexing categories ("meta-data") and a common high-level keyword vocabulary (United Nations System Standard Indexing Vocabulary (UNIVOC)) based on industry and United Nations standards. The use of these indexing standards provides a common background simplifying retrieval of information across the various web sites and document repositories in the United Nations system.

8. *United Nations system Web Site Locator*. This site (www.unsystem.org) lists all the web sites of United Nations system organizations, simplifying access by the public to their home pages.

9. *Depository Libraries Locator system (DEPOLIB)*. This site (depolib.unsystem.org) shows the physical location and contact information for all depository libraries around the world for all United Nations system organizations.

10. *Shared library catalogue*. The United Nations Libraries Shared Cataloguing and Public Access System (UNCAPS) (uncaps.unsystem.org), which is now ready for production, allows a single search to retrieve references (and where available, the electronic full text) from all participating libraries in the United Nations system (currently, 10: United Nations, World Bank/International Monetary Fund, Food and Agriculture Organization of the United Nations, International Civil Aviation Organization, International Fund for Agricultural Development, International Labour Organization, International Maritime Organization, United Nations Educational, Scientific and Cultural Organization, United Nations Population Fund and World Intellectual Property Organization). It is envisaged that there will be 12 by April 2001.

11. *United Nations system Electronic Information Consortium*. The Consortium negotiates joint licences for access to commercial information sources (for example, 14 products such as Economist Intelligence Unit, Reuters, Oxford Analytica) by staff of the United Nations system organizations and missions. Costs are recharged to the participating organizations. Last year the Consortium purchased information valued at several million dollars, for a total cost of $600,000.

C. Harmonization of information and communication technology

12. *Safety and security of field staff*. The Committee has developed guidelines for minimum telecommunications equipment and procedures for the safety and security of staff in the field.

13. *Staff mobility*. The Committee and the Consultative Committee on Administrative Questions developed the Participating Agencies Mobility System, which allows staff and dependants from participating organizations to submit their résumés electronically to other United Nations system organizations.

14. *Strategies*. The Committee has issued guidelines for development of information and communication technology strategies and guidelines for migration to electronic document management.

15. *Internet*. The Committee issued several guidelines in 1994 and 1995, including security guidelines.

16. *Library technology*. The Committee has issued a recommended standard technology for library information systems.

17. *Financial/logistic systems*. The Committee has exchanged information on large "enterprise resource planning" projects in order to develop best practices for the implementation of such projects.

18. *Joint purchasing*. The Committee investigated the possibility of an umbrella contract with Microsoft for software. The existing contract with the Airlines Worldwide Telecommunications Information Service (SITA) for telecommunications services was expanded. Other umbrella contracts are under discussion.

19. *Basic technologies*. The Committee has promulgated a few basic technology standards, such as a standard for exchange of contact information and a basic telecommunications standard.

II. Status of the Information Systems Coordination Committee programme for 2000-2001

A. Background

20. The Information Systems Coordination Committee developed its present work plan and budget for 2000-2001 during 1998 (ACC/1998/ISCC/10.3). Following approval by the Administrative Committee on Coordination, this proposal was included as a fascicle in the programme and budget proposal submitted to the General Assembly.[a] An interim work status report for the eighth annual meeting of the Committee was produced in September 2000 (ACC/2000/ISCC/R.3).

21. The performance-based work plan and budget lists inter-agency work programmes in six areas, with associated costs, objectives and performance indicators. Given the fact that the Information Systems Coordination Committee is a jointly funded entity, its funding is managed through a single budget line.

22. The information and communication technology area is constantly changing, and the Committee has adjusted its work programme during the current biennium to reflect new priorities and the available funding. For example, more priority is now being given to knowledge-sharing activities and to the development of a common entry point ("portal") for web-based information at United Nations system organizations. Most of the Committee's programmes are interrelated, working towards the two main goals of developing best practices and coherent approaches to information and communication technology issues and of simplifying access to information.

Impact of the delay in approving funding from the United Nations Secretariat

23. The Committee's budget consists of three main components: secretariat expenses for the Secretary (D-1) and a General Service information network assistant; operational expenses for maintaining the web sites and discussion forums; and allotments for consultants for the six programme areas.

24. The Committee is funded by all the organizations of the Administrative Committee on Coordination, through an agreed cost-sharing formula. The United Nations Secretariat portion in 2000-2001 amounts to $466,500 out of a total of $1,328,200 (before recosting), which is approximately 35 per cent.

25. In consultation with the United Nations Programme Planning and Budget Division, the Committee implemented the reduced allocation resulting from the withholding of United Nations funding by reducing the funding for consultants from approximately $600,000 to approximately $130,000.

26. The reduction has delayed some of the Committee's programmes, given the fact that they are implemented task forces led by one of the participating organizations of the United Nations system, assisted by consultants. Consultants add value by bringing knowledge of industry standards and practices, as well as coalescing the input from various organizations into proposals for common approaches and, in some cases, developing "proof of concept" pilots. Details of this impact can be found in paragraphs 2.3, 4.4, and 5.4, below. Nevertheless, preparatory work by task forces and the secretariat of the Information Systems Coordination Committee has been undertaken so that the projects can proceed promptly when funds are available.

B. Programme objectives and status

27. The following section provides a summary of the overall objectives, outputs, work status and resources for the six major programmes in the programme of work of the Committee for the biennium 2000-2001. Details of outputs and performance indicators are available in the work programme and budget 2000-2001 (ACC/1998/ISCC/10.3).

1. Programme for document and archive systems

1.1. *Overall objective*: To advance coordination and common policies in the field of archives and document management. The objective has three major components:

(a) To advance coordination and common policies, with respect to digitization and preservation of information;

(b) To promote harmonization of document management tools;

(c) To provide easy electronic access to stored information.

1.2. *Outputs*. Eight outputs were defined for this programme, including among others a model strategy statement for preservation and digitization of archives, standards and best practices, and reduced costs for printed documents. Performance indicators, such as the number of agencies

adopting the standards and best practices, have been defined for each output.

1.3. *Work status*. A survey has been initiated to establish the current situation. Tasks in the document area are being led by the Office of the United Nations High Commissioner for Refugees and, in the archives area, by the International Labour Organization. Detailed project plans are still being developed.

1.4. *Resources*. Funding for consultants was foreseen in the amount of $61,700. To date, no expenditures have been made, pending definition of the detailed project plans by the lead agencies and their task forces.

2. Programme for Internet technologies

2.1. *Overall objective*: To promote the increased use of the Internet for access and dissemination of United Nations system information to States and to civil society. The use of the Intranet within agencies will also be promoted for more efficient distribution of information internally. These objectives have four major components, namely to:

(a) Secure the Internet-based services of United Nations system organizations;

(b) Examine what further phases should be implemented of the Participating Agencies Mobility System in cooperation with the Consultative Committee on Administrative Questions;

(c) Extend the Extranet to field offices;

(d) Provide relevant information to special groups (non-governmental organizations, missions and so on).

2.2. *Outputs*. Eleven outputs with performance indicators were defined for this programme, including the number of secure inter-agency networks ("Extranets") in place, best practices for Internet security, and inclusion of field offices in headquarters networks.

2.3. *Work status*. Work on the Extranet project has proceeded, with the United Nations Secretariat taking the lead. Technologies have matured since 1998, and a review is under way of the feasibility of developing a United Nations system thematic access tool that could be used for public access and, using the same technology, for secure access to information for specialized groups such as missions and technical expert groups. Work on the Internet Security Guidelines project has been delayed pending funding, as has work on the Participating Agencies Mobility System. The development of Extranets for special groups is also delayed pending funding.

2.4. *Resources*. Funding of $288,700 was foreseen for this project, mainly for consultants. To date, only approximately $20,000 has been obligated. The further implementation will depend on the release of funding.

3. Programme for library systems and information services

3.1. *Overall objective*: To promote standards and best practices in libraries throughout the United Nations system, including at the field level and at small headquarters locations for a scheme of digital libraries. This objective has three major components, namely to:

(a) Develop a unified approach to digital library initiatives throughout the United Nations system, including at the field level and for small headquarters libraries;

(b) Identify additional electronic information resources that can be acquired through joint contracts;

(c) Put UNCAPS into production and expand it to access full text where available.

3.2. *Outputs*. Ten outputs with performance indicators were defined for this programme, including a scheme of digital libraries, additional joint contracts for information, the UNCAPS system in production, and links to electronic sales systems.

3.3. *Work status*. A digital libraries task force has been created and a common vision statement adopted. The development of UNCAPS has been completed. Negotiations have been completed for the World Bank to become the lead agency for DEPOLIB and eventually for UNCAPS.

3.4. *Resources*. Funding of $55,600 was foreseen for this programme, mainly for consultants. Approximately $50,000 has been expended for this programme ($29,000 as of September 2000; fourth-quarter invoices have not yet been processed).

4. Programme for strategies, resources and management

4.1. *Overall objective*: To examine aspects of information technology strategy and planning including non-staff resources, including issues related to human resources in information technology (in conjunction with the Consultative Committee on Administrative Questions), the use of Enterprise Resource Management, Management Information Systems and Enterprise Information Systems and "knowledge management". This objective has four major components, namely, to:

(a) Promote harmonization of human resources, administrative and financial management tools;

(b) Take the leadership in designing information management strategies for the medium and longer term;

(c) Provide for examination of certain priority areas in information management and information technology, including telecommunications, which warrant strategic plans for common services which are cost-effective and efficient;

(d) Increase operational efficiency in each United Nations organization.

4.2. *Outputs*. Eight outputs and corresponding performance indicators were defined for this programme, including system-wide information

management strategies, a data dictionary for the improved exchange of data and integrated databases based on common requirements.

4.3. *Work status*. Extensive electronic discussions have been held in several of these areas. In September 2000, the Committee held a major session on the exchange of experience in implementing large system projects (such as SAP, Oracle, PeopleSoft) and exchanged best practices for such projects. Common procurement of Microsoft software was investigated.

4.4. *Resources*. Funding of $114,000 was foreseen for this programme. Owing to funding restrictions, the Committee has been unable to use consultants to assist in defining common approaches and best practices for the above-mentioned objectives. However, discussions have proceeded electronically issue by issue, so that the Committee can proceed with alacrity, once funding is available. The use of outside consultants in the areas of strategies and management practices is invaluable for adding industry best practices and developing the results of the various discussions into common positions and proposals.

5. Programme for telecommunications

5.1. *Overall objective*: To coordinate and harmonize the telecommunication networks operated by the United Nations organizations, working to reduce overall United Nations telecommunication expenditures while maximizing the utility of the global United Nations telecommunication capability of supporting, as required, data, voice, and multimedia content. This objective has five major components, namely, to:

(a) Provide telecommunications for security of field staff;

(b) Introduce "Voice-over IP" services;

(c) Introduce additional efficiencies in the use of videoconferencing;

(d) Establish common contracts and sharing of telecommunications facilities;

(e) Promote robust and economical connectivity between headquarters offices, country and field offices.

5.2. *Outputs*. Fifteen outputs and corresponding performance indicators were established for this programme, including, for example, revised standards for telecommunications in the field, common contracts, best practices for data and voice via the Internet and satellite services, and agreements on shared facilities.

5.3. *Work status*. Minimum standards for telecommunications to improve the security of staff in the field have been developed. One joint contract has been extended and two others are under examination. "Voice-over IP" services have been tested. Other projects, such as a repository of videoconference facility details and scheduling tools, a mechanism for sharing telephone equipment details and plans, and sharing of field office telecommunications facilities, have not been started, owing to lack of funding.

5.4. *Resources*. Funding of $98,300 was foreseen for this programme, mainly for consultants. Of this amount, approximately $20,000 has been expended on the "minimum telecommunications standards for staff security" project, which had priority. The rest of the programme has not been able to proceed, because of lack of funding.

6. Programme for inter-agency cooperation

6.1. *Overall objective*: To improve knowledge-sharing among the organizations of the United Nations system.

6.2. *Outputs*. Three major outputs were defined for this objective: the establishment of web sites for organizations of the Administrative Committee on Coordination, the establishment of knowledge-sharing facilities for information and communication technology and for Administrative Committee focal points.

6.3. *Work status*. Web sites for submachinery bodies of the Administrative Committee have been established and staff trained in their content maintenance. Discussion forums have been created for a number of joint bodies, with over 700 participants registered.

6.4. *Resources*. Funding of $190,000 was foreseen for this programme, mainly for operational costs of maintaining web sites and information systems. This funding was not foreseen for consultants and was not reduced. Of this amount approximately $90,000 has been expended ($62,700 as of September 2000 — fourth-quarter invoices are still outstanding). This programme is approximately on schedule, with about half the foreseen funding having been expended in the first year of the biennium.

Notes

[a] A/54/6 (Sect. 29). See *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 6* (A/54/6/Rev.1).

Document A/55/7/Add.4

Fifth report

Capital master plan

[11 December 2000]
[Original: English]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General entitled "Capital master plan" (A/55/117). During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information and clarifications.

2. **The Advisory Committee welcomes the report of the Secretary-General on the capital master plan and his efforts to bring the matter to the attention of Member States.** The Committee points out that it has commented extensively in the past on the need for proper maintenance of United Nations assets. For example, the Committee's comments on this matter were reflected most recently in paragraph 23 of its first report (see document A/55/7 above).

3. According to the Secretary-General, the structures of the United Nations Headquarters complex in New York, which were largely built during the period 1949-1952, are ageing and now require major repair and refurbishing; they are extremely energy-inefficient and no longer conform to current safety, fire and building codes and the complex is deficient in terms of meeting modern-day security requirements. The report of the Secretary-General (A/55/117) reviews the current condition of the buildings, the implications of action and inaction, as well as various financing options and presents a proposed course of action.

4. In paragraphs 6 to 10 of his report (ibid.), the Secretary-General discusses the options through which the serious deficiencies of the Headquarters buildings could be addressed; these options include: a reactive approach under which the repair work would be performed over the next 25 years as and when building and system failures occurred; a planned and managed renovation programme of a three-year, six-year or 12-year duration; and complete demolition and reconstruction of the Headquarters buildings. The Secretary-General's conclusion is that the most practical and desirable approach is the six-year option, at an estimated cost of $964 million, under which 33 per cent of the Headquarters facility would be under construction at the same time and would require the availability of swing space at an estimated cost of between $62 million and $91 million; moreover, this option would result in substantial energy cost savings of some $164 million over the 25-year period in comparison with the reactive approach.

5. Upon enquiry, the Advisory Committee was informed that no independent analysis had been undertaken to ensure the reliability of the cost estimates of $964 million for the proposed six-year capital master plan. These estimates are based, as indicated in footnote 13 to paragraph 69 of the report of the Secretary-General, on certain assumptions, including "a 1 January 2003 construction commencement date, escalation of construction project costs at 3.5 per cent per annum during each

construction year, a design and planning phase contingency of 20 per cent of the construction project cost, professional costs (for example, architectural, engineering, quality control, project management) of 20 per cent of the construction project cost and a standard construction industry contingency of 5 per cent of construction project cost to cover unanticipated work discovered during actual construction." **In the absence of specific details, the Committee was unable to ascertain that these assumptions are a fair basis on which to assure that the Organization is protected against cost overruns and it requests, therefore, that the Secretary-General work out the required measures and describe them in his next report on the capital master plan.**

6. The Advisory Committee notes that one of the assumptions for the capital master plan is that the Headquarters complex should be energy-efficient, free of hazardous materials and compliant with host city building, fire and safety codes, and should provide full accessibility to all persons (ibid., para. 2 (b)). **The Committee expects that there will be close coordination with local authorities with regard to health and safety requirements at all stages of the capital master plan.**

7. The Advisory Committee notes from paragraphs 44 to 50 of the report that the capital master plan provides not only for the comprehensive programme of refurbishing the Headquarters buildings but also for certain improvements to the Headquarters facilities and the addition of more meeting spaces, consolidation of technological support spaces and the enhancement of public areas. **In this connection, the Committee cautions against presenting plans for improvements and expansions that would be unrealistic or overly ambitious.**

8. The Advisory Committee points out that at this stage it is necessary only to confirm the Secretary-General's statement that a need exists to address the problems outlined with regard to the Headquarters complex. The next step is to prepare a comprehensive design scheme, together with detailed cost estimates. The Secretary-General indicates that to do so would cost approximately $8 million. **The Committee, consistent with the procedure it initially set out in document A/36/643, recommends that the Secretary-General be authorized to proceed with the preparation of this comprehensive design plan and cost analysis and that an additional $8 million be appropriated under section 31, Construction, alteration, improvement and major maintenance, of the programme budget for the biennium 2000-2001.**

9. The Advisory Committee notes that the Secretary-General intends to submit a separate report on a related proposal to expand the United Nations visitors' area beyond the existing buildings funded through private donations. **The Committee will submit its comments and recommendations on this matter, as appropriate.**

10. In paragraphs 13 to 17 of his report, the Secretary-General reviews the possible ways of financing a six-year capital master plan, including progressive cash payments, deferred payments through interest-free loans and/or outside commercial borrowing, and voluntary contributions, in cash or in kind, from public and private sources. The Advisory Committee notes from paragraph 18 of the report that the Secretary-General intends to establish a five-member expert financial advisory group composed of financial experts and eminent persons to provide the detailed and comprehensive advice on the financing options.

11. The Advisory Committee recalls the very prominent role that the host Government, the City and the State of New York and private donors had played for the successful development of the Headquarters complex in New York. As stated in paragraph 21 of the report of the Secretary-General, "an interest-free loan of $65 million (equivalent to $449.2 million in year 2000 dollars) was provided in 1948 by the host Government for the construction and furnishing of the Headquarters buildings. By its resolution 242 (III) of 18 November 1948, the General Assembly approved the loan and the repayment schedule. The loan was repaid in full over a 31-year period, beginning in 1951 and ending in 1982." The Advisory Committee was informed that negotiations were being conducted with the host Government, the local and state authorities on their participation in the financing of the capital master plan. The Advisory Committee requested information on the participation of host Governments and local authorities in maintaining the United Nations assets in their respective countries. However, since the information was not provided on time, the Advisory Committee requests that it should be provided to the Fifth Committee. **The Assembly may wish to encourage the active participation of the host Government, as well as state and local authorities in the current project of comprehensive renovation of the United Nations Headquarters complex in New York, including the funding of the project.**

Document A/55/7/Add.5*

Sixth report

First performance report on the programme budget for the biennium 2000-2001

[12 December 2000]
[Original: English]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the first performance report of the Secretary-General on the programme budget for the biennium 2000-2001 (A/55/645 and Corr.1). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification.

2. In accordance with the recommendations of the Advisory Committee, endorsed by the General Assembly at its thirty-second session, the performance report identifies adjustments required owing to variations in the rates of inflation and exchange and in standards assumed in the calculation of the initial appropriations. The performance report also takes into account the additional mandates that the Assembly and Security Council have approved after the appropriation of the programme budget, unforeseen and extraordinary items that could not be deferred to the second year of the biennium and decisions of policy-making organs that, in the view of the Secretary-General, are best dealt with in the context of the first performance report.

3. The current estimates of revised requirements under the expenditure sections of the programme budget for the biennium 2000-2001[1] amount to $2,495,196,300, as indicated in paragraph 5 of the performance report (ibid.). These provide for a reduction of $40,492,900 compared with the appropriation of $2,535,689,200 approved by the General Assembly in its resolution 54/250 A of 23 December 1999.

4. As can be seen from the table in paragraph 5 of the report, the reduction of $40,492,900 in expenditures reflects the effect of the anticipated reduction of $66,265,200 resulting from favourable changes in exchange rates. This reduction is somewhat offset by additional requirements of $10,987,900 related to commitments authorized under the terms of General Assembly resolution 54/252 of 23 December 1999 concerning unforeseen and extraordinary expenses; $3,633,700 resulting from decisions of policy-making organs after the adoption of the programme budget; $1,913,200 owing to changes in inflation assumptions; and $8,623,300 attributable to adjustments to standard salary costs.

5. In paragraphs 8 to 10 of the performance report, information is provided concerning the additional requirements of $10,987,900 resulting from unforeseen and extraordinary expenses that fall under the terms of General Assembly resolution 54/252. Of the total, commitments were entered into in the following amounts: (a) $7,233,400 certified by the Secretary-General as relating to the maintenance of peace and security; (b) $3,396,500 concurred in by the Advisory Committee in respect of decisions by the Security Council; (c) $345,000 certified by the

* Incorporating document A/55/7/Add.5/Corr.1 of 14 December 2000.

International Court of Justice as relating to unforeseen expenses in respect of the Court; and (d) $13,000 for inter-organizational security measures.

6. An explanation of the additional requirements of $3,633,700 related to decisions of policy-making organs is given in paragraphs 11 to 17 of the report. These include amounts related to the implementation of General Assembly resolutions 54/254 of 15 March 2000 concerning the Millennium Summit of the United Nations ($1,643,000), 54/283 of 5 September 2000 in which the Assembly decided to convene a special session on the human immunodeficiency virus/acquired immunodeficiency syndrome ($1,628,900), 54/265 of 15 June 2000 on strengthening the capacity of the Non-Governmental Organizations Section ($124,900), and 53/242 of 28 July 1999 concerning, inter alia, the global environmental forum/special session of the Governing Council of the United Nations Environment Programme ($236,900). In connection with the latter, the Advisory Committee notes the statement in paragraph 17 of the report that, owing to an oversight, no statement of programme budget implications was submitted prior to the adoption of resolution 53/242. **While the Committee recognizes that this represents an anomaly rather than a trend, it expects that care will be taken to avoid such a situation in future.**

7. The Advisory Committee was informed of the potential for additional requirements of $35,477,600 relating to revised estimates of the Secretary-General and statements of programme budget implications to be considered by the General Assembly at its fifty-fifth session (see annex I to the present report). These include revised estimates relating to the Office of the United Nations Security Coordinator, the International Court of Justice, implementation of the report of the Panel on United Nations Peace Operations (A/55/305-S/2000/809), and resolutions of the Economic and Social Council, and statements of programme budget implications of draft resolutions relating to the proposed commission of inquiry on Palestine, the International Research and Training Institute for the Advancement of Women, the United Nations Institute for Research and Training and the Third United Nations Conference on the Least Developed Countries, as well as mandates of the Assembly and the Security Council for special political missions (see para. 16 below). Under the current procedures, the financing of the additional requirements mentioned above will be dealt with separately by the Assembly before the end of 2000. The Committee wishes to point out, however, that in its consideration of some of the above-mentioned issues, it has recommended approval of significantly lower levels of additional resources. If the Committee's recommendations are approved by the Assembly, the figure of $35.5 million may be reduced considerably.

8. In addition, the Advisory Committee has recommended inclusion of an additional $8 million under section 31, Construction, alteration, improvement and major maintenance, of the programme budget for the biennium 2000-2001 for implementation of the capital master plan (see A/55/675 and Corr.1 and document A/55/7/Add.4 above, para. 8).

9. Paragraphs 18 to 20 of the performance report provide information on the reduction of $66,250,000 in requirements resulting from favourable exchange rate fluctuations. As indicated in paragraph 18 of the report, the reduction reflects the application to 2000 of the realized exchange rate from January to November 2000, and the application of the November rate to December 2000 and all of 2001. The Advisory Committee notes that the methodology used by the Secretary-General in

recosting the impact of exchange rate fluctuations is in conformity with the recommendation of the Committee that the Secretary-General should use such operational rates of exchange in its recosting exercises as would allow for the lowest estimates[2]. Schedule 3 of the report provides detailed information on the operational rates of exchange in 2000 for all main duty stations. The Committee also notes that, as stated in paragraph 18 of the report, adjustments resulting from actual experience in 2000 will be reflected in the second performance report.

10. The Advisory Committee was provided with a chart tracking the movement of the United States dollar against the Swiss franc from January 1996 to July 2000 (see annex II to the present report).

11. As indicated in paragraph 21 of the report, the application of revised inflation rates results in an increase of $1,913,200 in requirements. The revised rates are based on promulgated post adjustment multipliers and the latest information available on consumer price indices. The Advisory Committee notes, as indicated in paragraph 22, that the most significant change in non-post objects of expenditure relates to high inflationary costs associated with, among other things, the higher price of fuel worldwide. Schedules 1, 2 and 4 of the report contain detailed information on the revised inflation rates for all main duty stations.

12. The increased requirements of $8,623,300 attributable to adjustments to standard salary costs are detailed in annex I.A to the report. These requirements reflect the combined effect of a number of factors, some of which are described in paragraphs 24 to 32 of the report.

13. With regard to vacancy rates, the Advisory Committee notes from paragraph 28 of the report that the vacancy rate for staff in the Professional category and above has slightly exceeded 8 per cent. In this connection, the Committee recalls that the vacancy rate approved by the General Assembly in its resolution 54/249 of 23 December 1999 was 6.5 per cent for Professional staff. As indicated in paragraph 29, the vacancy rate varies considerably between budget sections and duty stations, with the highest relating to budget section 16, Economic and social development in Africa, section 25, Humanitarian assistance, and section 28, Internal oversight (see also A/55/643, para. 16). The Committee takes note of the steps taken by the Economic Commission for Africa to address the vacancy situation, as described in paragraphs 29 and 30. The Committee notes with concern that this situation has been ongoing for some time, and expresses the hope that efforts in this regard will be sustained until the situation is ameliorated. Upon request, the Committee was provided with additional information concerning vacancy rates as at June 2000 (see annex III to the present report). The Committee requested but did not receive information on the recruitment status of new posts approved by the Assembly for the biennium 2000-2001. That information should be provided to the Fifth Committee. **Moreover, on the basis of the information given to the Committee, it requests that the standard for reporting on the vacancy situation be harmonized so that a consistent methodology is applied.**

14. In paragraphs 34 to 43 of the report, a number of specific issues are discussed relating to resolutions of the General Assembly or matters raised in accordance with procedures previously approved by the Assembly. Among them are: additional requirements of $15,200 under section 11B, International Trade Centre UNCTAD/WTO, for the upward reclassification of one P-2 post and two P-3 posts; additional requirements of $61,600 under section 17, Economic and social

development in Asia and the Pacific, for the reclassification of a General Service post to the P-2 level;[3] information on the redeployment of funds within section 26, Public information; and requirements of $517,600 ($260,000 for 2000 and $257,600 for 2001) under section 29, Jointly financed administrative activities, to fund the United Nations contribution to the Information Systems Coordination Committee.

15. The Advisory Committee notes that a total requirement of $17,069,400 for 2001 is indicated in paragraph 44 of and annex III to the report in connection with actions taken by the Security Council regarding good offices, peacemaking and preventive diplomacy missions on the basis of requests from Governments and/or recommendations of the Secretary-General. The requirements would be charged against the unallocated balance of $24,312,600 of the provision for special political missions of $90,387,200 under section 3, Political affairs, of the programme budget for the biennium 2000-2001, leaving a balance of $7,243,200 (see also A/C.5/55/27, para. 11).

16. The Advisory Committee was provided with additional information concerning preliminary estimated additional requirements resulting from General Assembly and Security Council mandates for special political missions currently under consideration (see annex IV to the present report). The Committee notes from the information provided that the estimated additional requirements for special political missions amount to approximately $22.1 million over the provision of $90,387,200 in the initial appropriation, for a total of approximately $112.5 million. The Committee points out that, in its report on the budget outline for the biennium 2000-2001, requirements related to special political missions were estimated at $112.6 million.[4]

17. Paragraphs 46 to 48 of the report deal with revised requirements under income sections of the programme budget for the biennium 2000-2001. As can be seen, an increase of $13.2 million under income section 1, Income from staff assessment, and an increase of $5.5 million under income section 2, General income, are offset in part by a net decrease of $448,500 under income section 3, Services to the public, resulting mainly from exchange rate factors.

18. The Advisory Committee was informed that the dollar had weakened against a number of currencies, resulting in a lower operational rate of exchange for the month of December 2000. The Committee was also informed that, as the performance report of the Secretary-General had been prepared on the basis of the rate for November, a recosting was being prepared using the December rate. The recosting, which was described in an addendum to the report of the Secretary-General subsequent to the meetings of the Committee, indicates revised estimated requirements of $2,501,047,000 under the expenditure sections (see A/55/645/Add.1, para. 3). That amount represents a reduction of $34,642,200 as compared with the initial appropriation of $2,535,689,200. Revised requirements under the income sections amount to $380,395,900.

19. **Accordingly, subject to its observations in paragraphs 7 and 8 above, the Advisory Committee recommends approval of the revised requirements of the Secretary-General, namely, $2,501,047,000 under the expenditure sections and $380,395,900 under the income sections, resulting in net revised requirements of $2,120,651,100, an amount which is $53,739,200 less than the initial appropriation.** The Committee points out that these revised requirements will be

adjusted to take into account the decisions of the Assembly on the additional requirements referred to in paragraphs 7 and 8 above.

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 6* (A/54/6/Rev.1).

[2] See *Official Records of the General Assembly, Fifty-first Session, Supplement No. 7* (A/51/7/Add.1-9), document A/51/7/Add.6, para. 5.

[3] The Advisory Committee notes that the action taken by the Secretary-General to reclassify this post is in accordance with the procedure recommended by the Committee and approved by the General Assembly in its resolution 50/214 of 23 December 1995.

[4] See A/53/718 and Corr.1, para. 4.

Annex I

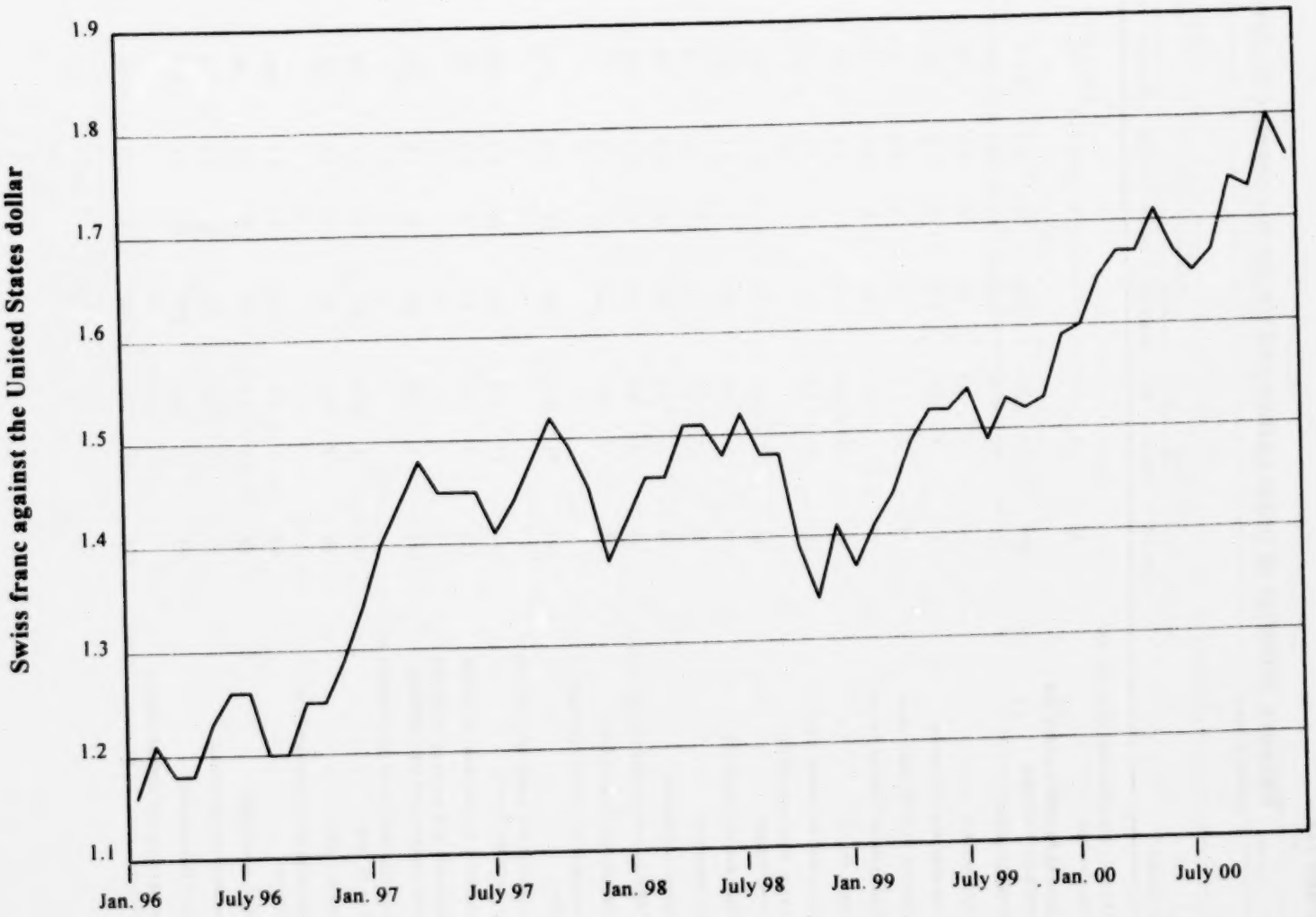
Revised estimates and statements of programme budget implications issued or under consideration

(United States dollars)

Revised estimates, United Nations Security Coordinator (A/55/494)	3 083.7
Revised estimates under section 7, International Court of Justice (A/C.5/55/21)	737.3
Revised estimates, report of the Panel on United Nations Peace Operations (A/55/305-S/2000/809, A/55/502, A/55/507 and Add.1)	7 527.3
Revised estimates, Economic and Social Council (A/C.5/55/25 and Corr.1 and Add.1)	114.8
Programme budget implications, Commission of inquiry on Palestine (A/C.5/55/25/Add.1)	741.6
Programme budget implications, United Nations International Research and Training Institute for the Advancement of Women (A/C.5/55/26)	800.0
Special political missions in excess of $90 million (various reports issued and to be issued)	22 111.9
Programme budget implications, United Nations Institute for Training and Research rental (A/C.2/55/L.49)	113.0
Programme budget implications, Third United Nations Conference on the Least Developed Countries (A/C.2/55/L.50)	248.0
Total	**35 477.6**

Annex II

Movement of the United States dollar against the Swiss franc



Annex III

Vacancy statistics of posts authorized under the regular budget

(as at June 2000)

Budget section	Professional			General Service			Total		
	Authorized	*Vacant*	*Rate*	*Authorized*	*Vacant*	*Rate*	*Authorized*	*Vacant*	*Rate*
1. Overall policy-making, direction and coordination	60	4	6.7	75	1	1.3	135	5	3.7
2. General Assembly affairs and conference services	910	15	1.6	955	3	0.3	1 865	18	1.0
3. Political affairs	129	15	11.6	114	6	5.3	243	21	8.6
4. Disarmament	30	1	3.3	18	0	0.0	48	1	2.1
5. Peacekeeping operations	43	7	16.3	311	12	3.9	354	19	5.4
6. Peaceful uses of outer space	13	1	7.7	5	0	0.0	18	1	5.6
7. International Court of Justice	26	1	3.8	35	0	0.0	61	1	1.6
8. Legal affairs	81	9	11.1	63	1	1.6	144	10	6.9
9. Economic and social affairs	287	27	9.4	230	5	2.2	517	32	6.2
10. Africa: New Agenda for Development	14	1	7.1	9	1	11.1	23	2	8.7
11. Trade and development	231	25	10.8	170	7	4.1	401	32	8.0
12. Environment	22	0	0.0	17	1	5.9	39	1	2.6
13. Human settlements	42	1	2.4	24	0	0.0	66	1	1.5
14. Crime prevention and criminal justice	19	0	0.0	5	0	0.0	24	0	0.0
15. International drug control	47	0	0.0	24	0	0.0	71	0	0.0
16. Economic and social development in Africa	221	72	32.6	349	54	15.5	570	126	22.1
17. Economic and social development in Asia and the Pacific	173	17	9.8	295	19	6.4	468	36	7.7
18. Economic development in Europe	115	5	4.3	81	1	1.2	196	6	3.1
19. Economic and social development in Latin America and the Caribbean	181	1	0.6	310	5	1.6	491	6	1.2
20. Economic and social development in Western Asia	103	14	13.6	163	5	3.1	266	19	7.1
22. Human rights	96	9	9.4	52	1	1.9	148	10	6.8
23. Protection of and assistance to refugees	89	7	7.9	131	3	2.3	220	10	4.5
24. Palestine refugees	87	14	16.1	11	0	0.0	98	14	14.3
25. Humanitarian assistance	37	6	16.2	17	0	0.0	54	6	11.1
26. Public information	265	12	4.5	470	10	2.1	735	22	3.0
27. Management and central support services	364	36	9.9	1 220	4	0.3	1 584	40	2.5

Budget section	Professional			General Service			Total		
	Authorized	Vacant	Rate	Authorized	Vacant	Rate	Authorized	Vacant	Rate
28. Internal oversight	59	9	15.3	28	1	3.6	87	10	11.5
Subtotal	**3 744**	**309**	**8.3**	**5 182**	**140**	**2.7**	**8 926**	**449**	**5.0**
Income section 3									
Services to the public	23	4	17.4	109	6	5.5	132	10	7.6
Subtotal	**23**	**4**	**17.4**	**109**	**6**	**5.5**	**132**	**10**	**7.6**
Grand total	**3 767**	**313**	**8.3**	**5 291**	**146**	**2.8**	**9 058**	**459**	**5.1**

Annex IV

Special political mission requirements in excess of $90 million

(in United States dollars)

General Assembly mandates	
United Nations Verification Mission in Guatemala	8 992.1[a]
Central American peace process	191.8
United Nations Special Mission to Afghanistan	6 315.6
Subtotal	**15 499.5**
Security Council mandates	
United Nations assistance to the Facilitator of the Burundi peace process	60.6
United Nations Office in Burundi	2 851.5
United Nations Political Office in Bougainville	1 210.6
Adviser of the Secretary-General for Special Assignments in Africa	741.9
Special Envoys of the Secretary-General for the Balkans	1 067.9
Special Adviser of the Secretary-General on Cyprus	679.8
Subtotal	**6 612.3**
Total	**22 111.9**

[a] See A/C.5/55/24.

Document A/55/7/Add.6

Seventh report

Revised estimates in respect of matters of which the Security Council is seized

[14 December 2000]
[Original: English]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/C.5/55/30) on estimates in respect of five political missions of which the Security Council is seized: the United Nations Political Office in Bougainville, the United Nations Office in Burundi, United Nations assistance to the Facilitator of the Burundi peace process, the Adviser of the Secretary-General for Special Assignments in Africa and the Special Adviser of the Secretary-General on Cyprus. During its consideration of the matter, the Committee met with representatives of the Secretary-General, who provided additional information.

2. The Advisory Committee notes that the report of the Secretary-General is being submitted in the context of actions taken by the Security Council regarding good offices, preventive diplomacy and post-conflict peace-building missions. These actions have been taken on the basis of requests from Governments and/or recommendations of the Secretary-General.

3. As indicated in paragraph 28 of the report, the total cost of the activities of the five missions described therein is estimated at $4,162,500. The estimate is based mainly on performance in 2000.

4. The Advisory Committee notes that the report of the Secretary-General to the General Assembly at its fifty-fourth session[1] included eight special political missions at an estimated cost of $9,964,500. Upon enquiry, the Committee was informed that a number of the special political missions which had been included in that report had been provided for in the revised estimates for the biennium 2000-2001 contained in the first performance report of the Secretary-General on the programme budget for the biennium 2000-2001 (A/55/645 and Corr.1 and Add.1). The report of the Committee on the first performance report contains additional information in this respect (see document A/55/7/Add.5, above, annex IV). The Committee was informed that the missions covered in the report under consideration were those on which the Security Council had not yet taken a decision as of the time of the issuance of the first performance report on the programme budget. Upon request, the Committee was provided with detailed information on all of the special political missions covered in the report under consideration, as well as in the first performance report, including duration and estimated costs (see annex to the present report).

5. The Advisory Committee notes, as indicated in table 2 and annex II.B, paragraph 1, of the report of the Secretary-General (A/C.5/55/30), that an additional Field Service post is requested for the United Nations Office in Burundi. This is the only request for additional staff contained in the report. The Committee was informed that other increases in the estimates for international and local staff in a

number of the missions relate to the use of lower vacancy rates for 2001. This is the case, for example, with the United Nations Office in Burundi where, for 2000, the vacancy factor used was 15 per cent. As indicated in annex II.B, paragraph 1, of the report, a vacancy factor of 5 per cent was used for the estimates for 2001. The Committee was informed that, for the United Nations Political Office in Bougainville, additional requirements related mainly to the fact that no vacancies were anticipated and to additional requirements for travel of staff between New York and Bougainville and travel within the mission area. With regard to the Adviser of the Secretary-General for Special Assignments in Africa, the Committee was informed that additional requirements for international and local staff reflected the fact that advisory services had begun in February 2000. The figures for 2001 thus represent the full cost of the mission.

6. The Advisory Committee was also informed that the difference in the estimated requirements for 2000 ($530,400) and 2001 ($45,300) under transport operations for the United Nations Office in Burundi was due to costs of non-recurrent items purchased in 2000.

7. The Advisory Committee notes the statement in paragraph 30 of the report of the Secretary-General (ibid.) that "as all resources under the provision for special political missions have been earmarked as of this date, the established procedures under General Assembly resolution 41/213 of 19 December 1986 will be operative, and thus the financing for these activities would require an additional appropriation". **Accordingly, the Committee recommends an additional appropriation of $4,162,500 under section 3, Political affairs, of the programme budget for the biennium 2000-2001.**[2]

Notes

[1] A/C.5/54/39.

[2] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 6* (A/54/6/Rev.1), vol. II.

Annex

Special political missions with a mandate beyond 31 December 2000

	Duration	*Estimated requirements (Thousands of United States dollars)*
Continuing mandate with corresponding appropriation (A/C.5/54/39)		
United Nations Political Office for Somalia	1 January 2000-31 December 2001	1 776.8
Requirements reported in the first performance report on the programme budget for the biennium 2000-2001 (A/55/645 and Corr.1, para. 44 and annexes III and IV)		
United Nations Peace-building Support Office in Liberia	1 January-31 December 2001	2 042.5
United Nations Peace-building Support Office in the Central African Republic	15 February-31 December 2001	2 726.3
United Nations Peace-building Support Office in Guinea-Bissau	1 April-31 December 2001	1 906.6
United Nations Office in Angola	16 October 2000-31 December 2001	8 432.7
Special Envoy of the Secretary-General in Africa	1 January-31 December 2001	118.3
Special Representative of the Secretary-General for the Great Lakes Region	1 January-31 December 2001	1 843.0
Total (to be charged against the provision for special political missions of $90,387,200)		**17 069.4**
Requirements contained in the report of the Secretary-General on the revised estimates in respect of matters of which the Security Council is seized (A/C.5/55/30)		
United Nations Political Office in Bougainville	1 January-31 December 2001	1 194.3
United Nations Office in Burundi	1 January-31 December 2001	2 391.9
United Nations assistance to the Facilitator of the Burundi peace process	1 November 2000-31 January 2001	60.6
Adviser of the Secretary-General for Special Assignments in Africa	1 January-31 December 2001	480.3
Special Adviser of the Secretary-General on Cyprus	1 January-30 June 2001	35.4
Total (additional appropriation)		**4 162.5**

Document A/55/7/Add.7

Eighth report

Construction of additional conference facilities at Bangkok and Addis Ababa

[26 December 2000]
[Original: English]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/55/493) on the construction of conference facilities at Addis Ababa, submitted in accordance with General Assembly resolution 39/236 of 18 December 1984.

2. The Advisory Committee recalled that in his report of 4 October 1999,[1] the Secretary-General had informed the General Assembly about the final residual activities relating to installation of the telecommunications system at the Economic Commission for Africa (ECA). As part of the agreement reached with the contractor in 1998 on that remaining issue, the contractor was to ship some minor equipment related to the uninterrupted power supply system and the amount of $52,266.08 had been retained, to be released upon receipt of the equipment by ECA.

3. The Advisory Committee notes from paragraph 4 of the report of the Secretary-General (ibid.) that after delivery of the remaining equipment in 2000, the certificate of completion for the installation of the telecommunications system was issued to the contractor on 6 June 2000 and the amount retained from the final payment was released. The Committee also notes from the report that all other pending payments to the contractor relating to the telecommunications system were finalized and processed and that on 30 June 2000, the project was closed and capitalized in the books of the Organization.

4. As indicated in paragraph 5 of the report of the Secretary-General, the amount of $115,228,494 had been authorized by the General Assembly for the construction of conference facilities. The Advisory Committee notes from the same paragraph that, as at 30 June 2000, when the project was closed and capitalized, total final disbursements amounted to $114,937,567, leaving an uncommitted balance of $290,927 in the construction in-progress account.

5. The Advisory Committee notes from paragraph 6 and annex II to the report of the Secretary-General that the unaudited financial statement of the construction-in-progress account reflects a balance of $7,702,600, following the completion of the construction projects at Nairobi, Bangkok and Addis Ababa ($2,880,000) and accumulated bank interest ($4,822,600).

6. The Advisory Committee also notes from paragraph 7 of the report of the Secretary-General that possible alternatives for the utilization of the balance of $7,702,600 are under review, including the compelling need for the further upgrading of the facilities of the United Nations Office at Nairobi and of ECA. The Committee was informed that the Secretary-General intends to submit proposals to the General Assembly in respect of United Nations facilities at Nairobi and Addis

Ababa in April/May 2001, in accordance with the procedure established by the Assembly in its resolution 37/237 of 21 December 1982.

7. **In paragraph 13 of his report, the Secretary-General requests the General Assembly to take note of the balance of $7,702,600 in the construction-in-progress account and to decide to retain those funds in that account until it considers all related matters. The Advisory Committee recommends acceptance of the Secretary-General's requests.**

Notes

[1] A/54/431.

Document A/55/7/Add.8

Ninth report

Integrated Management Information System project

[11 January 2001]
[Original: English]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the twelfth progress report of the Secretary-General on the Integrated Management Information System (IMIS) project (A/55/632). During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information.

2. As indicated in the report of the Secretary-General (ibid.), IMIS is currently installed at Headquarters and at seven other duty stations (Addis Ababa, Bangkok, Beirut, Geneva, Nairobi, Santiago and Vienna) (ibid., para. 2). IMIS components are also used by the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the United Nations Office for Project Services (UNOPS) and the International Trade Centre UNCTAD/WTO. In addition, the human resources application is used by the International Labour Organization (ILO) and the United Nations Children's Fund (UNICEF).

3. Chapter II of the report provides information on the status of application of the IMIS project in functional areas, including the central control of the project and its operational applications, human resources applications, financial and support service applications, payroll and related applications, such as rental subsidy and deductions, personal insurance and staff time and attendance, and reporting applications (ibid., paras. 3-37). Statistics on reports generated through the IMIS reporting facility as at 31 August 1999 and 31 August 2000 are provided (ibid., annex I), as well as the implementation dates of IMIS releases and usage and reporting statistics as at 31 August 2000 for Headquarters and offices away from Headquarters (ibid., annex II).

4. The Advisory Committee notes from the summary of the report that, with the implementation of the IMIS payroll application in September 2000 at Headquarters and the implementation of additional functionalities, the development phase of IMIS has been completed. The Committee recalls that in the summary of the eleventh progress report of the Secretary-General on IMIS[1] it was indicated that the implementation of Releases 4 (Payroll) and 5 (Operational requirements) would be completed in New York by the first quarter of 2000 and at all major duty stations by December 2000. The Committee notes that the twelfth progress report does not provide information on the status of implementation of Release 5.

5. As indicated in the report of the Secretary-General, the current payroll system will be discontinued at Headquarters as from January 2001 for Headquarters staff but will continue to be used for UNDP and UNICEF staff until July 2001, when the IMIS payroll application will be implemented in those two organizations (ibid., para. 32). The implementation dates of payroll at offices away from Headquarters will be determined locally, in consultation with Headquarters, taking into account local conditions and constraints (ibid., para. 34). The Advisory Committee was informed that the payroll application of IMIS relied on payroll data and processing

logic that already existed in the established systems, which required lengthy verification, validation and clean-up.

6. The implementation of the financial application at offices away from Headquarters has been completed at most locations, and it is scheduled for implementation for the first half of 2001 in the two remaining offices, namely, the Economic and Social Commission for Asia and the Pacific and the United Nations Office at Nairobi (ibid., para. 18). The Advisory Committee notes that the implementation of financial applications has allowed for the standardization of processes across the Secretariat.

7. The Advisory Committee notes from the summary of the report that the Secretary-General plans to report on lessons learned and future developments in his next report on IMIS. **The Committee trusts that the Secretary-General will also address in his report the issue of the long-term strategy, as requested in its previous report.**[2]

8. In this connection, the Advisory Committee welcomes the initial information provided on future developments (ibid., paras. 55-57). The Committee notes that a project to upgrade the IMIS technical platform to enable moving the entire system application to the Web is expected to be completed by the end of 2001 and another project, to be initiated in 2001, would re-engineer the users' interface, with a view to making the system more user-friendly. The Committee welcomes these projects, which are expected to contribute to further streamlining workflow processes, simplifying and accelerating the processing of personnel and financial transactions and increasing the usage of the system as a management tool (ibid., para. 57).

9. The Advisory Committee notes that the IMIS Reporting Facility has been used extensively by staff at Headquarters and other duty stations, including executive officers and programme managers. Improvements to the system have been introduced to meet the needs of offices away from Headquarters, and efforts have been made to strengthen training facilities. The IMIS service is progressively being integrated into the Information and Technology Services Division of the Office of Central Support Services (ibid., paras. 35-46 and annex I). The Committee welcomes these developments.

10. **The Advisory Committee requests that, in the next report on IMIS, information be provided on progress made with regard to integration of IMIS with other programme budgeting and reporting systems being developed, including those being developed to support results-based budgeting techniques.**

11. **The Advisory Committee attaches great importance to the development of the required capacity to attain the stated objective of the Secretary-General to create an "electronic United Nations". The Committee reiterates its expectation that all efforts will be made to ensure wider use of the IMIS modules in the United Nations, including its funds and programmes.**

12. **In this connection, the Advisory Committee notes with concern that very limited progress has been reported on the implementation of IMIS in peacekeeping operations and the Tribunals, owing in part to the limited human and financial resources currently available to both the Department of Management and the Department of Peacekeeping Operations for information technology (ibid., paras. 47-51). The Committee recommends that the Secretary-General identify comprehensively the structural and financial**

constraints hampering progress in this regard and make such proposals as he deems necessary.

13. The Advisory Committee notes that expenditures for IMIS amounted to $74,873,000 as at 31 October 2000 and that the total cost of the project was projected to remain within the budget estimates approved by the General Assembly ($77,578,900) (ibid., paras. 58-62 and table 1).

14. **The Advisory Committee recommends that the General Assembly take note of the twelfth progress report of the Secretary-General on IMIS.**

Notes

[1] A/54/474.

[2] See *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7A* (A/54/7/Add.1-10), document A/54/Add.4, para. 13.

Document A/55/7/Add.9

Tenth report

United Nations Fund for International Partnerships

[13 March 2001]
[Original: English]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the United Nations Fund for International Partnerships (A/55/763), submitted pursuant to General Assembly decisions 52/466 of 31 March 1998 and 53/475 of 8 June 1999. During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information.

2. The Advisory Committee recalls that, following Robert Edward Turner's announcement of a gift valued at $1 billion in support of United Nations causes on 18 September 1997, a United Nations Fund for International Partnerships (UNFIP) was created, on 1 March 1998, to work with the United Nations Foundation. In this regard, an agreement was signed on 12 June 1998 between the United Nations and the Foundation, the text of which is contained in the annex to the report of the Secretary-General on UNFIP of 24 November 1998.[1]

3. With regard to the agreement, the Advisory Committee was informed that a review of the relationship agreement was being undertaken, with the participation of the Comptroller and the Office of Legal Affairs. The Committee trusts that, once finalized, the review will be provided to the General Assembly, for informational purposes.

4. In the summary of the report of the Secretary-General (ibid.), it is indicated that a total of some $75 million has been programmed for 2000. Moreover, as shown in the annex to the report, at the end of 2000, the UNFIP programme portfolio included 166 projects at an approximate total cost of $326 million. Details regarding the projects and status of each of the four programme framework areas are also provided in paragraphs 5 to 30 of the report. The Advisory Committee notes in paragraphs 39 to 42 of the report that, since April 1998, eight funding rounds have taken place, three rounds in 2000. It is envisaged in paragraph 43 of the report that two funding rounds will take place in March and November 2001, and that two programme areas will be considered at each round.

5. The Advisory Committee also notes in paragraph 7 of the report that of the above-mentioned total amount of $326 million approved to date, $63.4 million represents contributions from other sources, for example $50 million provided by another partnership, the Bill and Melinda Gates Foundation, for the polio eradication initiative. This puts the Foundation's net funding through UNFIP to date at $248.4 million.

6. The most recent report of the Advisory Committee on UNFIP[2] was submitted to the General Assembly on 14 May 1999. The Committee, however, annually reviews UNFIP administrative costs and submits its comments to the Secretary-General. The last two letters sent by the Chairman to the Secretary-General on

behalf of the Committee are attached as annexes I and II to the present report. The Committee is also attaching information provided to it, upon enquiry, with regard to the status of implementation of the recommendations of the Board of Auditors on the biennium 1998-1999 (see annex III to the present report). During its consideration of the administrative cost estimates for 2001, the Committee stressed the need for more accurate and timely budgetary information.

7. The Advisory Committee notes that the UNFIP current staffing establishment consists of seven Professional and seven General Service staff, including a D-2 level post for the Executive Director who reports to the Secretary-General. The Committee recalls that it had indicated, in its last report on UNFIP, its intention to review the Assistant Secretary-General-level post of the Executive Director after 31 December 1999, in the context of the examination of the administrative budget of the trust fund for 2000.[3]

8. The Advisory Committee reviewed the level of the post in that context and concurred with the establishment of a D-2 level post for the Executive Director in a letter dated 10 January 2000 sent by the Chairman of the Committee to the Secretary-General. The Committee has further agreed to the proposal that the trust fund finance 18 posts (1 D-2, 2 P-5, 6 P-4 and 9 General Service posts), representing an increase of 4 posts (2 P-4 and 2 General Service posts), in the context of its consideration of the estimates for administrative costs of UNFIP for 2001 (see annex II to the present report), in view of the increase in workload resulting from the increased number of projects in the four programme frameworks.

9. **The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General (A/55/763). The Committee will provide additional comments in the context of the additional information provided in the proposed programme budget for the biennium 2002-2003.**

Notes

[1] A/53/700.

[2] *Official Records of the General Assembly, Fifty-third Session, Supplement No. 7* (A/53/7 and Add.1-15), document A/53/7/Add.11.

[3] Ibid., para. 10.

Annex I

Letter dated 29 December 2000 from the Chairman of the Advisory Committee on Administrative and Budgetary Questions addressed to the Secretary-General

The Advisory Committee on Administrative and Budgetary Questions has considered the estimates for administrative costs of the United Nations Fund for International Partnerships (UNFIP) for 2001.

The Advisory Committee notes that for 2001, the total administrative costs for the trust fund are estimated at $2,578,000, representing an increase of $978,200 when compared to the amount of $1,599,800 for 2000.

With regard to staff resources, the Advisory Committee notes that for 2001, it is proposed that the Trust Fund finance 18 posts (one D-2, two P-5, six P-4 and nine General Service posts), representing an increase of four posts (two P-4 and two General Service posts).

The Advisory Committee was not satisfied with the presentation of the budget estimates. The Committee has repeatedly stressed that all estimates of expenditure, regardless of the source of funding, should be subject to the same rigorous requirements of analysis and justification. Now that UNFIP is firmly established, the Committee expects that future budget presentations will conform to standard United Nations practice.

Upon enquiry, the Advisory Committee was informed that the funding mechanism had been modified to adjust the UNFIP operating budget to take into account increased workload. The Committee, however, was not provided with terms of the new arrangement. It is essential for the Committee to have the text of a written agreement in order that it may satisfy itself that funding is assured for the proposed expenditure.

The Advisory Committee notes that one of the new P-4 posts is for a programme officer in the new area of peace, security and human rights. Upon enquiry, the Committee was informed that the scope of the new programme area will be fully developed in 2001. In the opinion of the Committee, until this programme is finalized it is not possible to know how much additional workload there will be on a continuing basis.

The Advisory Committee recalls that the Board of Auditors made a number of recommendations which, if implemented, would lead to increased efficiency of the trust fund. The budget estimates should have contained information on the implementation of the recommendations of the Board of Auditors.

The Advisory Committee notes that provision is made for monitoring and evaluation of projects by the Trust Fund. While recognizing the need for these activities on the part of UNFIP, the Committee is concerned with the lack of a clear distinction between the monitoring and evaluation functions of the Secretariat and those of the implementing partners. In this connection, the Committee trusts that care will be taken to avoid duplication of efforts.

Given the fact that the Advisory Committee did not receive the UNFIP estimates until the last week of its autumn session, the Committee did not have the opportunity to pursue fully its enquiries with regard to your proposals.

Under the circumstances, the Advisory Committee will revert to this subject during its winter session, in the context of its consideration of the annual report of the trust fund.

(*Signed*) C. S. M. **Mselle**
Chairman

Annex II

Letter dated 13 March 2001 from the Chairman of the Advisory Committee on Administrative and Budgetary Questions addressed to the Secretary-General

The Advisory Committee on Administrative and Budgetary Questions has reviewed the estimates for administrative costs of the United Nations Fund for International Partnerships (UNFIP) for 2001. In this connection, the Advisory Committee recalls that it initially considered these estimates in December 2000 and that, in the letter sent to you by the Chairman of the Committee, dated 29 December 2000, it indicated that the Committee was not "satisfied with the presentation of the budget estimates", stressing that "all estimates of expenditure, regardless of the source of funding, should be subject to the same rigorous requirements of analysis and justification", and its expectation that future presentations "would conform to standard United Nations practice". The Committee further made a series of observations and recommendations in that letter and indicated that it would "revert to this subject during its winter session".

The Advisory Committee welcomes the information provided as an attachment to the letter sent by the Director of Programme Planning and Budget Division, of 6 March 2001, which takes into account the observations and comments of the Committee contained in its letter of 29 December 2000, mentioned above, such as its request for information on the implementation of the recommendations of the Board of Auditors and clarification as to the monitoring and evaluation activities of UNFIP. The Committee requests that such comprehensive information be included in future submissions, providing analysis and justification, in a format in conformity with United Nations budgeting practices.

In view of the increasing number of projects under each of the four programme frameworks and the increase in workload required as to programme formulation, appraisal, review and evaluation, the Advisory Committee concurs with the need for four additional posts for 2001 (2 P-4 and 2 General Service posts).

The Advisory Committee noted, however, that the post of the Executive Director is shown at the Assistant Secretary-General level in table 2 of the supplementary information. In this regard, the Committee recalls the letter addressed to you by the Chairman of the Committee, dated 10 January 2000, in which it is indicated that, after a review of this issue, the Committee had concurred with the D-2 level for the post of the Executive Director.

In connection with the terms of the funding mechanism, the Advisory Committee was provided with a copy of the letter of the United Nations Foundation, dated 10 January 2001, to the Executive Director of UNFIP, which confirmed the agreement at the meeting of the Board of Directors held in November 2000, to set the UNFIP operational budget for 2001 at $2,578,000. As to a change in the written agreement between UNFIP and the United Nations Foundation, the Committee was informed that a review was currently being undertaken, involving the Comptroller and the Office of Legal Affairs. The Committee reiterates that it is essential to the Committee to receive a copy of the new arrangement once finalized.

The Advisory Committee notes the statement made in paragraph 48 of the report of the Secretary-General (A/55/763), and is convinced of the desirability, in the near future, of assessing the results and impact of the projects implemented in order to evaluate progress not only in the different programme frameworks but also to identify areas of possible improvement or complementarity among the frameworks.

(*Signed*) C. S. M. **Mselle**
Chairman

Annex III

Status of implementation of the recommendations of the Board of Auditors on the biennium 1998-1999

Action taken by the United Nations Fund for International Partnerships (UNFIP) to implement the audit recommendations in the report of the Board of Auditors to the General Assembly for the biennium 1998-1999[a] are contained in the first report on the implementation of the recommendations of the Board of Auditors on the accounts of the United Nations for the biennium ended 31 December 1999.[b] Additional measures are described below with a view to further strengthening implementation of the recommendations in the future.

Recommendation of the Board of Auditors[a]	*Implementation by the United Nations Fund for International Partnerships*
(a) That UNFIP enforce the requirement for implementing partners to submit quarterly utilization reports within the required 30 days after the end of the quarter (para. 41)	UNFIP, in consultation with the United Nations Foundation, has withheld funding in instances where quarterly utilization reports were delinquent. This option will be introduced in a more systematic and predictable form following publication of a UNFIP procedural manual in 2001. In addition, UNFIP has systematically impressed upon its implementing partners, both orally and in writing, the importance of timely submission of quarterly utilization reports, as a practice of benefit to all stakeholders. The agenda of the focal points' meetings of 28 November 2000 and of 13 February 2001 included discussions of reporting requirements (both financial and progress reports). As part of standard operating procedures since the end of 1999, notices of scheduled reporting requirements are sent to all implementing partners in advance of deadline requesting timely submission of quarterly utilization reports; follow-up reminders are sent to offices that remain delinquent.

Recommendation of the Board of Auditors[a]	*Implementation by the United Nations Fund for International Partnerships*
(b) That UNFIP should monitor closely submissions of the report on the status of project accomplishment by implementing partners (para. 49)	On 14 July 2000, the UNFIP Director of Programmes informed heads of agency of the revised schedule and detailed specifications on periodic and final progress reporting. As with quarterly utilization reports, reminders and follow-ups are standard operating procedures. UNFIP will follow up closely in 2001 to ensure that agreed reporting requirements are met. The meeting of focal points of 13 February 2001 provided the first major step.
(c) That UNFIP include in project reports and documents clear information on planned and actual starting dates and project duration (para. 53)	At the focal points' meeting held on 28 November 2000 it was agreed that "start date" would refer to the date when agencies receive cash transfers at their headquarters.
(d) That UNFIP modify the periodic financial utilization reports to include an assessment of the degree to which goals of the project have been achieved in comparison with targets (para. 53)	Following the dissemination of a revised schedule for the progress reporting requirements in July 2000, UNFIP discussed with focal points — in November 2000 and in February 2001 — the need for succinct mid-year progress reports attached to the quarterly utilization reports. It is anticipated that guidelines will be developed in the first half of 2001 and, considering the reporting changes introduced in July 2000, issued to implementing partners at the most appropriate time, in order to maximize the impact of the new measures. The concept was included in the draft project format requirements distributed to focal points in February 2001.
(e) That UNFIP establish an operating reserve (para. 56)	In December 2000, UNFIP officially requested the Office of Programme Planning, Budget and Accounts to implement this recommendation.

(f) That UNFIP liaise with the Office of Programme Planning, Budget and Accounts and the United Nations Treasury to review the banking arrangements of the UNFIP specific trust fund account and the programme support account to ensure that the cash positions of the two funds are properly reflected (para. 60)	No further action required at this time.
(g) That UNFIP take the necessary action to reduce funding delays (para. 47)	At the meeting of focal points in November 2000, UNFIP introduced the following measures: – Sunset clause for finalizing project documents following Board approval; – Elimination of the Project Development Facility (PDF) in favour of a single project document (draft UNFIP requirements (see para. (d) above) were distributed in support of this change).

Notes

[a] *Official Records of the General Assembly, Fifty-fifth Session, Supplement No. 5* (A/55/5), vol. I, chap. II.

[b] A/55/380.

Document A/55/7/Add.10

Eleventh report

Outline of the proposed programme budget for the biennium 2002-2003 for the International Trade Centre UNCTAD/WTO

[4 May 2001]
[Original: English]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/55/797), which sets out the budget outline of the International Trade Centre UNCTAD/WTO (ITC) for the biennium 2002-2003. During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General at Headquarters and exchanged views with the representatives of the Centre in Geneva, through videoconferencing.

2. The Advisory Committee notes that the budget outline has been presented in accordance with the procedure and administrative arrangements recommended by it in paragraph 11 of its report to the General Assembly at its fifty-third session[1] and endorsed by the Assembly in its decision 53/411 B of 18 December 1998. The arrangements called for the submission to the General Assembly, through the Advisory Committee, of a budget outline for the first year of activities for the coming biennium, with a projection of requirements for the second year, and simultaneous submission to the Committee on Budget, Finance and Administration of the World Trade Organization (WTO) for its approval in May of the year preceding the forthcoming United Nations financial period. The requirements would be presented in Swiss francs in order to conform to the WTO budget process.

3. The Advisory Committee notes in paragraphs 6 and 7 of the report of the Secretary-General (ibid.) that the requirements of ITC are estimated at SwF 30,221,800 for 2002, and the preliminary estimate for 2003 is SwF 30,322,800. As indicated in paragraph 5 of the report, the proposed outline "represents an increase of 3.7 per cent in real terms", mostly resulting from the decision to fund an annual meeting of the Executive Forum and to strengthen the in-house expertise of ITC electronic trade, which as indicated therein "is becoming an increasingly critical factor in any ... export development strategy".

4. The Advisory Committee further notes that the Executive Forum initiative was launched in 1999, on a trial basis, with a view to strengthening the capacity of developing countries and countries with economies in transition to formulate and manage national export strategies. Two meetings have taken place to date, funded by the Government of Switzerland, and a third one, also to be funded by Switzerland, is to take place in September 2001. The Committee was informed that, in view of its success, the current view of ITC is that the Executive Forum should not be sustained without regular budget resources, despite indications that multi-year extrabudgetary resources will be available. The Committee notes that this activity is within the purview of the implementation of subprogramme 6 of programme 9 (Trade and development) of the medium-term plan for the period 2002-2005[2] by ITC.

5. The Advisory Committee was further informed that regular budget resources would be used in the preparation of the substantive elements related to the Forum, while extrabudgetary funds would continue to be used to fund the travel of participants from least developed countries and to ensure dissemination of the experience at the national level.

6. The Advisory Committee recalls that the detailed proposed programme budget of ITC for the biennium 2002-2003 will be submitted to the General Assembly and the General Council of WTO in the autumn of 2001 on the basis of the decisions taken on the outline by the Assembly and the WTO Committee on Budget, Finance and Administration, as set out by the Assembly in its decision 53/411. The Committee requests that information be provided in that context on experience in applying the revised administrative arrangements. The Committee, however, may make further comments or recommendations at the time of its consideration of section 11B, International Trade Centre UNCTAD/WTO, of the proposed programme budget for the biennium 2002-2003. **In these circumstances, the Committee recommends approval of the budget outline for ITC.**

Notes

[1] *Official Records of the General Assembly, Fifty-third Session, Supplement No. 7* (A/53/7 and Add.1-15), document A/53/7/Add.3.

[2] Ibid., *Fifty-fifth Session, Supplement No. 6* (A/55/6/Rev.1).

Annex

Reports presented orally by the Chairman of the Advisory Committee on Administrative and Budgetary Questions at meetings of the Fifth Committee at the fifty-fifth session of the General Assembly

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Revised estimates of resolutions and decisions adopted by the Economic and Social Council at its substantive session of 2000

1. At the 41st meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions said that many of the resolutions and decisions adopted by the Economic and Social Council would be financed from within existing provisions of the programme budget for the biennium 2000-2001. As requested by the Advisory Committee, the Secretary-General had for the first time indicated the level of funding for that category; the estimates amounted to $1.8 million in conference services and $33,900 in non-conference services under sections 2 (General Assembly affairs and conference services) and 22 (Human rights).

2. As indicated in the report of the Secretary-General (A/C.5/55/25 and Corr.1), additional funds would be required to implement Economic and Social Council resolution 2000/22, which called for the establishment of a 16-member permanent forum on indigenous issues, which would hold an annual session of 10 working days. An estimated $114,800 would be needed under section 22 to meet non-conference costs if the forum was held in Geneva and $156,300 if it was to be held in New York. The Advisory Committee agreed with the recommendation of the Secretary-General that $114,800 should be authorized for the forum to meet in Geneva in 2001. If it were to meet elsewhere, the additional costs would be reflected in the second performance report. The amount would be governed by the provisions concerning the use and operation of the contingency fund.

3. By its decision 2000/311, the Economic and Social Council had endorsed resolution S-5/1, adopted at the fifth special session of the United Nations Commission on Human Rights, which had established a human rights inquiry commission with respect to the occupied Palestinian territories, requested the United Nations High Commissioner for Human Rights to undertake an urgent visit to the territories, and requested that immediate missions to the territories should be carried out by special rapporteurs who would report their findings to the Commission at its fifty-seventh session and, on an interim basis, to the General Assembly at its fifty-fifth session. The Advisory Committee recommended acceptance of the estimates of the Secretary-General for the implementation of the resolution, namely $28,800 under section 2 and $741,600 under section 22 of the programme budget, to be charged against the contingency fund.

Contingency fund: consolidated statement of programme budget implications and revised estimates

4. At the 43rd meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions, orally presenting the report of the Advisory Committee, said that the Secretary-General's report (A/C.5/55/34) provided information on programme budget estimates and revised estimates charged to the contingency fund. The items were listed in the annex to the report. The total amount to be charged to the contingency fund was approximately $16.1 million and the Committee was asked to request the General Assembly to note that a balance of $224,300 would remain in the fund. In the past, the Advisory Committee had from time to time drawn attention to the need to monitor the adequacy of the fund. If the experience of the current year were to continue in the future, then a review of the adequacy of the fund should be carried out by the Secretary-General and the

Advisory Committee. The Chairman of the Committee wished to draw attention to two items that had been included in the report, namely, an amount of $517,600 for jointly financed administrative activities and an amount of $8 million for construction, alteration, improvement and major maintenance. Those amounts had been included in accordance with the provisions of General Assembly resolution 42/211.

Recosting of outstanding statements of programme budget implications and revised estimates

5. At the 43rd meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions, orally presenting the report of the Advisory Committee, said that, in his report (A/C.5/55/35), the Secretary-General presented the result of the recosting of estimates that had not been covered in the first performance report (A/55/645 and Corr.1 and Add.1). Those estimates were related to a number of decisions that the Fifth Committee had taken. The Advisory Committee recommended that the Committee should take the action that was proposed in paragraph 2 of the report of the Secretary-General.

Gratis personnel provided by Governments and other entities

6. At the 48th meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions said that the Advisory Committee recommended that the Fifth Committee should take note of the reports of the Secretary-General (A/55/728, A/C.5/55/13 and A/C.5/55/36).

United Nations Interim Force in Lebanon (UNIFIL)

7. At the 48th meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions said that the Advisory Committee agreed with the proposals of the Secretary-General as outlined in paragraph 9 of his report (A/55/482/Add.1). He pointed out that the Fifth Committee would be reviewing all peacekeeping operations in May and that action by it on the matter could be deferred until that review. He noted that the Security Council had renewed the mission of UNIFIL to 31 July 2001 and that the Secretary-General would probably inform the General Assembly about assessments at its next session.

Programme budget implications of draft resolution A/55/L.82 concerning agenda item 101[1]

8. At the 69th meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions introduced the statement submitted by the Secretary-General (A/C.5/55/45) concerning the programme budget implications of draft resolution A/55/L.82 for the bienniums 2000-2001 (ibid., paras. 2-4) and 2002-2003 (ibid., paras. 5-11). For the biennium 2000-2001, activities relating to the International Conference on Financing for Development as well as conference-servicing costs for the Preparatory Committee would be funded within existing resources, with any additional requirements to be reviewed at the fifty-sixth session of the General Assembly in the context of the second programme budget performance report for the biennium. Activities to be implemented in 2002 had not been included in the proposed programme budget for the biennium 2002-2003 and the additional requirements for those activities in 2002 were estimated to be

$295,100, under sections 9 (Economic and social affairs) (ibid., para. 6), 11A (Trade and development) (ibid., para. 7), 16 to 20 (Economic and social development in Africa, Economic and social development in Asia and the Pacific, Economic development in Europe, Economic and social development in Latin America and the Caribbean and Economic and social development in Western Asia, respectively) (ibid., para. 8) and 26 (Public information) (ibid., para. 9). Conference-servicing requirements for 2002 under section 2 (General Assembly affairs and conference services) (ibid., paras. 10-11) for two meetings a day for five days were estimated at $858,700, to be covered by resources to be approved for the calendar of conferences in 2002-2003. Additional expenditures with regard to the convening of the Conference would be borne by the host Government (ibid., para. 11). The Advisory Committee supported the Secretary-General's proposal (ibid., para. 12) that the additional requirements of $295,100 relating to activities to be carried out in 2002 in the context of the preparatory process of the Conference should be subject to the procedures for the use and operation of the contingency fund for the biennium 2002-2003. He recalled that the General Assembly, in paragraph 14 of its resolution 55/233, had approved a contingency fund of $18.9 million for the biennium 2002-2003, to which the additional requirements of $295,100 would be charged.

Notes

[1] High-level international intergovernmental consideration of financing for development.

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